

The NATIONAL UNDERWRITER

Life Insurance Edition



Life insurance dollars do a TRIPLE JOB for VICTORY

Life insurance dollars are being molded into guns, ships, tanks, planes. American life companies, through their purchases of U. S. Government bonds, have loaned our government nearly \$6,000,000,000 of the people's savings. Since the outbreak of war in September, 1939, the life companies' net investment in Government Bonds has increased by a round Billion dollars — enough to build 7,200 pursuit planes, or 13,000 medium tanks, or 160 modern destroyers, or 12,500,000 Garand rifles.

And — life insurance does not do one defense job, but *three*. It helps arm America. It also helps ward off deadly inflation. And it protects you and your family against *personal disaster*, protection which even more in time of war than in time of peace is essential to national welfare.

Life insurance, dependable servant of peace time America, now helps put muscle in the fighting arm of an aroused, united nation. Here is a living example of the truth that tremendous power in war, as in peace, lies in the voluntary efforts of free men and free institutions working together in a common cause.

★ ★ ★ ★ Sound, progressive management safeguards your NWNL policy

Again NWNL presents the *first complete and final life insurance balance sheet* — published as usual on the first business day of the New Year.

In 1941, NWNL has

- *reduced* total management expenses, despite rising operating costs and increased insurance in force
- *improved* the quality of sales and service to policyholders
- *reduced* policy lapses sharply from 1940
- *increased* sharply the percentage of management expense dollars that are paid to agents

NWNL is well prepared for whatever tests lie ahead. The company's past record and the Financial Statement below attest that "Security First" is more than a slogan with NWNL — it is its guiding principle of management.

57th Annual FINANCIAL STATEMENT December 31, 1941

RESOURCES

U. S. Government Securities.....	(25.1%)	\$21,799,108
Bonds Fully Guaranteed by the U. S.	(7.5%)	6,451,854
Canadian Government Securities.....	(.5%)	437,036
Other Bonds:		
State, County, and Municipal.....	(3.6%)	2,618,201
Railroad Mortgage Bonds.....	(6.1%)	5,318,982
Railroad Equipments.....	(.8%)	683,127
Public Utility.....	(15.7%)	13,638,610
Industrial.....	(2.1%)	1,817,558
Miscellaneous.....	(.8%)	652,710
First Mortgage Loans.....	(19.0%)	16,491,993
Policy Loans.....	(10.6%)	9,229,752
Real Estate (Incl. Home Office Bldg. and R. E. Sold Under Contract)....	(2.9%)	2,533,777
Premiums, Due and Deferred.....	(2.5%)	2,179,026
Interest Due and Accrued and Various Other Assets.....	(.7%)	575,666
Cash.....	(2.7%)	2,301,683
TOTAL.....	(100%)	\$86,729,083

Insurance in Force \$481,197,511

LIABILITIES

Legal Reserve on Policies.....	\$65,497,759
Death Claims Due and Unpaid.....	None
Claims for which Proofs are not Complete.....	234,628
Present Value of Death, Disability, and Other Claims Payable in Instalments.....	7,340,807
Premiums and Interest Paid in Advance and Premium Deposit Funds.....	2,855,980
Reserve for Policy Dividends on Deposit and Declared for Payment in 1942.....	3,132,290
Reserve for Taxes Payable in 1942.....	310,091
Miscellaneous Liabilities.....	653,581
Total Liabilities.....	\$80,025,136
<i>Voluntary Contingency Reserves and Surplus Funds for Further Protection of Policyholders:</i>	
Special Contingency Reserves*.....	\$ 1,899,693
General Contingency Reserve.....	650,000
Unallocated Surplus Funds.....	2,504,254
Paid-in Capital.....	1,650,000
TOTAL.....	4,804,254
TOTAL.....	\$86,729,083

*Includes reserves for fluctuations in asset values, interest rates, mortality and disability rates, and for policy dividends not yet declared.

Northwestern National Life

INSURANCE COMPANY

OF MINNEAPOLIS

O. J. Arnold



President

FRIDAY, JANUARY 9, 1942

A Picture of Progress

AIDS FOR FIELDMEN AGAIN WIN AWARD

AWARDED TO
THE CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY
FOR
EXCELLENCE IN GROUP IV
DISPLAYS AT THE
NINTH ANNUAL CONVENTION
LIFE INSURANCE
ADVERTISERS ASSOCIATION
DETROIT

Connecticut Mutual
Wins Life Insurance
Advertisers Association
Award of Excellence

A jury representing the field viewpoint
judged Connecticut Mutual advertising tops
among the large companies at the recent
L. A. A. National Exhibit.

This is the third time Connecticut Mutual's
advertising has been so honored.

**Connecticut
Mutual**
Life Insurance Co.

95 years of
Dependable Performance

WE ARE BUILDING FUTURES

We have just set up an Agency Division in which the entire staff, headed by an Agency Vice President, came from our own ranks.

The seven men who comprise this staff have a total combined service of 134 years with this company.

No one of them ever worked for any other insurance company.

Every one of them has worked as an Agent in the field.

This tells the story better than any other way we know of how Shield Men are building futures.

The
**NATIONAL LIFE
AND ACCIDENT
Insurance Company, Inc.**

C. A. CRAIG, Chairman of the Board

C. R. CLEMENTS, President

HOME OFFICE
NASHVILLE



NATIONAL BLDG.
TENNESSEE

The NATIONAL UNDERWRITER

Forty-sixth Year—No. 2

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JANUARY 9, 1942

\$3.00 Year, 15 Cents a Copy

Economists at Odds on Post-War Trend in Interest Level

Permanence of Factors in Downswing of '30s Is Key Point

NEW YORK—Economists and investment experts are far from being agreed on the course of interest rates after the war, it was evident at a round table discussion of a panel of outstanding men in these fields held in connection with the annual meeting of the American Economic Association here. Eminent authorities persuasively put forth cogent reasoning showing why the level of interest rates could be expected to rise. Equally eminent authorities were equally convincing in their contention that a decline should be expected.

Those who felt interest rates would rise after the war cited the tremendous current expenditures of the government, the cut in the inflow of gold from outside countries, and the fact that the whole period of the 1930s was a special situation affected by frightened capital fleeing to this country for sanctuary, while persons in this country were afraid to invest in anything but the most obviously sound securities. As this fear passed, money should go more into venture capital which in turn would ease the demand for the top-grade securities and bring about a more normal level of interest rates. It was anticipated that there would be a great demand for capital with which to rebuild a war-torn world.

Basis for Downward Trend

The other attitude, which more or less reflects the new deal philosophy, was that, far from being a temporary manifestation, the condition of the 1930s represented a real trend, the result of an excess of savings over available investment opportunities. The war might temporarily obscure this condition but with hostilities over the excess of savings over investment would return with renewed force as a factor to batter down interest levels. It was pointed out that if the government chooses to, it can keep interest rates down by its fiscal controls.

Dr. W. W. Cumberland, who has served as financial expert to the United States, Peru, Haiti and Nicaragua and is now economist of the investment house of Wellington & Co., expressed concern over the government philosophy behind the creation of the growing national debt. There is no way, he said, of ascertaining at what precise point government deficits will result in economic and currency disorder but he said that there is sufficient evidence for believing that deficits probably will continue for some time without the pub-

Marked Gains Shown in 1941

Sample Analysis Shows Insurance in Force Increase 50 Percent Greater Than in 1940

**\$100,000,000 in New
Business Flooded**

N. W. Mutual in Dec.

**Eastern Regional Meet
Told of Pre-War-Clause
Rush of 20,000 Cases**

Preliminary 1941 new business figures of leading life companies show marked increases in both new paid business and gains in insurance in force. The gains in insurance in force are particularly noteworthy.

To provide some indication of the increases registered, figures of 11 companies which arrived first, were tabulated. These companies wrote a total

	New Paid Business	Change in Ins. in Force
	1941	1940
Business Men's Assur....	\$ 25,464,719	\$ 21,203,283
Colonial Life	21,147,421	+9,159,107
Columbus Mut. Life	13,521,696	+7,542,755
Connecticut Mutual	108,238,955	+51,079,701
Continental American Life	18,083,882	+5,524,837
Continental Assurance....	101,300,079	92,603,761
Equitable Life, D. C.	37,434,095	31,300,478
Equitable Life, Ia.	52,018,098	45,359,821
Fidelity Mutual Life	31,114,752	25,821,486
Home Life, N. Y.	53,055,075	43,609,392
Imperial Life, Can.	24,772,140	21,205,850
Indianapolis Life	12,063,700	11,070,920
Massachusetts Mutual	140,000,000	128,000,000
National Life, Vt.	53,806,225	45,056,847
Northwestern Mutual Life	236,009,899	199,467,081
Northwestern Natl. Life..	44,240,496 ²	44,528,423
Occidental Life, Cal.	127,914,354	74,377,500
Shenandoah Life	50,000,000	36,114,826

¹Includes reinsurance ²Figures include group.

Remove Insurance from U. S. Price Control Measure

WASHINGTON—Insurance, which was included in the commodities price control bill as passed by the lower house of congress, was deleted when the measure was considered by the senate after the difficulties that would be encountered by its attempted enforcement were pointed out by insurance interests.

L. O. M. A. Rally Is April 27-28

The spring conference of Life Office Management Association is to be held April 27-8 in King Cotton hotel, Greensboro, N. C.

Equitable of Iowa 75th Year Party

DES MOINES—Equitable of Iowa will observe its 75th anniversary with a birthday party of all home office employees at the Wakonda Club here Jan. 21. Stockholders meet Jan. 22.

lic's recognizing that currency and credit are steadily deteriorating.

The greater the deficit and the resultant public debt, said Dr. Cumberland, the more eager are government financial officers to keep interest rates low.

Present indications are that revenues are not likely to equal one-half of expenditures and that deficits will be financed principally through banks rather than by sale of government bonds to private investors. He warned that if the concept of "no cost, or nominal cost" for borrowed money continues to gain support it will be necessary to reexamine the whole theory of creditorship and capitalism as this country has known it.

of \$523,583,885 new business in 1941, a 16 percent gain. Their combined gains in insurance in force in 1941 were 51 percent greater than in 1940. Gains in insurance in force in 1941 represented 41 percent of the total new paid business compared to 30 percent in 1940. Although these figures represent the experience of only a few companies, they show satisfactory trends in 1941.

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Insurance in Force in Canada Hits New High Despite War

MONTREAL—Life insurance in wartime continues to reflect individual and national stability as it did in time of peace. The continued growth of life insurance testifies to the fundamental conviction of victory that animates the Canadian people.

"In the present struggle, life insurance is successfully meeting every test, thus repeating the experience of the last war," George W. Bourke, president of the Canadian Life Insurance Officers Association and chief actuary of Sun Life of Canada, declared.

Despite unprecedented taxation, despite demands of war loans, war savings, war service and war charities and higher living costs, life insurance in force in Canada at the end of 1941 reached a new all-time high of almost \$7,500,000,000. New sales were 10 percent above those of 1940 and represented the first important increase in four years. Of even more significance was the encouraging decrease in the number of policies lapsed or surrendered. The decline in policy loans, which have shown a steady decrease in the last three years, is also gratifying, Mr. Bourke stated.

Big Contribution to War

"In the last victory loan subscriptions from life insurance companies accounted for one-seventh of the total, and since the outbreak of war over \$170,000,000 of policyholders' savings have gone into Dominion war loans."

"Life company executives, office staffs and field forces have also contributed in a large measure to war activities, over 1,700 of the companies' male staff and representatives having enlisted for active

NEW YORK—News of the tremendous avalanche of new business done last month in anticipation of the war clause which became effective Dec. 24 served to dispel from the Northwestern Mutual's big eastern regional convention much of the sobering effect of the war and its attendant problems. So great was the flood of applications that despite evening and Sunday work the home office was able to supply the final figure only in time for Director of Agencies Grant L. Hill to include it in his talk at the luncheon session which concluded the meeting.

Submitted business for December totaled \$100,000,000 on 20,000 applications. Of these applications 11,800 were received after Dec. 21, indicating the magnitude of the rush to get under the wire before the Dec. 24 deadline. Business issued in December totaled \$44,000,000, equal to October and November combined. Total new business issued in 1941 was more than \$284,000,000.

President Cleary Absent

Everyone missed President M. J. Cleary, who has always been on hand for the eastern regional meeting since he first began attending them in 1929 as vice-president. Illness prevented his making the trip to New York. L. J. Evans, assistant director of agencies, read Mr. Cleary's address, which is always an outstanding feature of these meetings. Illness also kept Vice-president Edmund Fitzgerald from attending and taking his customary place as toastmaster at the banquet which wound up the first day's activities. Mr. Hill took over in this capacity.

Concerning the vast volume of business done on the strength of the war clause announcement, Mr. Hill said that nothing like it had ever hit Milwaukee before. Despite overtime, nights, Saturdays, and even Sundays, the medical department is swamped and applications

(CONTINUED ON PAGE 22)

service and over 8,700 being regular pledged purchasers of war savings certificates.

"Life insurance personnel and life insurance dollars are both doing double duty—for normal activities are being carried on in addition to wartime undertakings. Thus, while over \$120,000,000 was invested in war loans in 1941 by life insurance companies, another \$165,000,000 was paid out to meet policy obligations, 70 percent of this money being distributed among living policyholders for matured endowments, annuity and disability payments, dividends, etc."

Eschew Investment Forms Today, O. J. Arnold Advises

MINNEAPOLIS—Agents can serve the best interests of their clients and their government by recommending the purchase of low-cost, life-long protection instead of investment policy forms, to be supplemented by the purchase of defense bonds, O. J. Arnold, president of Northwestern National Life, stated in his annual review of the company's financial statement before a meeting of the White & Odell agency. The meeting was attended by more than 100 Minnesota agents.

"A drive by life insurance men to sell protection forms such as ordinary life, alone or combined with term, and to urge their clients to invest in defense bonds the difference between this low premium and the higher premium that would be charged for retirement policies, would help mightily to meet the extraordinary needs of our government in prosecuting the war," Mr. Arnold declared. "Moreover, in the difficult readjustment period which is bound to follow when the war production program tapers off or stops abruptly the policyholder who finds himself in need will have his bond investment to fall back on and will stand a much better chance of being able to keep his life insurance protection unimpaired."

New sales of ordinary business showed little change from 1940 in total amount, yet the number of policies sold increased substantially. This reflects a larger proportion of policies of under \$2,000, more insurance being bought by small purchasers.

The meeting was presided over jointly by A. R. Hustad, manager of the twin city organization, and R. E. Habermann, manager of the outstate organization. Following Mr. Arnold's review and analysis of the financial statement the meeting was addressed by Paul Dobson and Harry P. Olson, the two leading producers for the twin city and outstate groups, respectively. Guest speakers were Robert E. Shay, Minneapolis manager for Bankers Life of Iowa, and Clinton M. Odell, co-founder with the late Frederick White, of the White & Odell agency and now retired from the life insurance business.

Speaks Again in Chicago

Mr. Arnold spoke on the same theme at a joint meeting of the Cramsie-Laadt & Co., and R. J. Wiese general agencies in Chicago this week. If policyholders have a backlog of savings in defense bonds, he said, it will serve to tide them over the readjustment period that will follow the war without impairing their life insurance. He said for these times the ideal combination is some arrangement of ordinary and term insurance, and he expressed the hope Northwestern National may get out a form of term insurance that will fit well into such a program.

The job of life agents today is to sell life insurance, not to determine the military, naval and governmental strategy. He pointed out a thorough-going job of life insurance selling may have an appreciable effect in minimizing inflation, as life insurance siphons off the people's savings.

There is a splendid opportunity to sell a large volume of new business this year, he said. The coming of war has brought the people face to face with the thought of death.

Public More Realistic

The imposing of war clauses, increase of premium rate, etc., have been only partly responsible for the huge amount of life insurance sold in the closing month last year. Mr. Arnold said Northwestern National Dec. 24 received \$1,284,000 of business and Dec. 26 about \$800,000. A study of these submissions shows only 7½ percent increase in applicants ages 29-36 who would be af-

War Clause Practices Are Set Forth in Time Table Style

While war clauses usually follow either the "status" or "results" pattern, there are a number of variants in each of these general classifications. The following table indicates, on the basis of information available up to the middle of this week, the details of each listed company's clause and to what classes of applicants it applies. In the case of companies operating in New York state it should be noted that even though some may be shown as using a "status" clause they, of course, use the "results" variety in New York, since the law permits exclusion only of deaths due to war. Also New York does not permit the civilian foreign travel and residence exclusion.

Both "Status" and "Results"

Since some clauses are "status" for some types of deaths and "results" for others, the tabulation does not classify them as to status or results but according to what is excluded and under what circumstances. Following is an explanation of the symbols used for the various types of deaths excluded:

Acacia Mutual	ABCDX
Aetna Life	A*B*CZ
Alliance	A*B*D*
American National	A*C*
A. O. U. W. of N. D.	A*C*X
Atlas, Okla.	ABDEX
Bankers, Iowa	ABCDZ
Bankers National	A*B*C*D*X
California-Western	A*B*C*D*X
Capitol	A*B*C*X
Central, Ill.	ABDE
Commonwealth	A*B*CX
Connecticut General	ABCZ
Connecticut Mutual	AB*DX
Continental Assurance	A*B*C*X
Equitable, Iowa	ABX
Equitable, N. Y.	ABCDZ
Federal	AD
Fidelity Mutual	A*B*C*Z
General American	A*B*C*D*Z
Guardian, N. Y.	A*
Home Life, N. Y.	A*B*C*X
Jefferson Standard	A*B*C*X
John Hancock	A*B*C*Z
Kansas City Life	A*B*C*DX
Life of Virginia	ADX
Life & Casualty	ABDEG
Lincoln National	A*B*C*DX
Manhattan	AD
Massachusetts Mutual	A*B*C*X
Metropolitan	AX
Minneapolis Mutual	A*B*C*D*Z
Monarch	A*B*C*D*
Mutual, N. Y.	ADX
Mutual Benefit	ABCDFX
National Guardian	AX
National L. & A.	AD
National of Vt.	A*B*C*DX
New England Mutual	A*B*C*X
New York Life	ABX
Northwestern Mutual	AC*DZ
Northwestern National	AB*DX
Occidental, Calif.	ABCDX
Ohio National	A*B*C*D*
Ohio State	ABC*DX
Pacific National	A*B*C*D*
Pacific Mutual	A*B*C*
Peninsular, Fla.	ABDX
Penn Mutual	A*B*C*X
Peoples, Ind.	A*B*C*D*
Phoenix Mutual	A*B*C*Z
Provident Mutual	A*B*Z
Protective, Ala.	A*B*C*Z
Prudential	ADX
Reliance	A*B*C*DX
Rural, Texas	A*X
Scranton Life	ABCDX
Security L. & A.	A*B*C*X
Southland	AD
Southwestern	A*B*X
State Mutual	AC*D
Travelers	ABC
Union Central	ABC*DEZ
United L. & A.	A*B*C*X

A . . . war-caused deaths in armed forces outside U. S. & Canada.

B . . . non-war deaths in armed forces outside U. S. & Canada.

C . . . civilian war-caused deaths outside U. S. & Canada within 2 years.

D . . . war-caused deaths in armed forces within U. S. & Canada.

E . . . non-war deaths in armed forces within U. S. & Canada.

F . . . civilian non-war deaths outside U. S. & Canada within 2 years.

X . . . aviation deaths except as fare-paying passenger on airline.

Z . . . aviation deaths if acting as pilot, crew member, or trainee.

Asterisk (*) indicates United States only (not Canada). Figures in right-hand column indicate age groups to which clause is applied routinely. M and F refer to males and females. In all cases companies not applying clause to all applicants reserve the right to apply it to others than those indicated and of course members of the armed forces. 1-A etc. refers to selective service classifications.

1-A, pilots, student pilots under age 28
All
M 15-36
M&F 15-35
M&F age 16 and over
M 15-36
M 16-35
M&F 15-36
M&F 10-45
M to age 35
M 18-36
M 15-45
All
M 15-35
All
All
M 17-35
M&F 10-65
M (single) 15-30
M 18-28
All
All
All (Military but not civil flying excluded)
All
All
M 15-37 (exc. class 3)
All
All
M 16-45
All
M (single) 15-35
All
All
All
M 15-36
M 15-35
M (single) 10-45, (married), 15-36
M 15-36
M (single) 16-28
M (single) 16-35
All
M 15-45
All
All
All
All
M 16-36 (exc. 3-a)
M 15-36
M 18-30
M 15-36
All
All (clause expires in 5 years)
All
All (Military but not civil aviation excluded)
All
M 15-36

Fidelity Mutual, president of the new Life Agency Managers of Chicago; Harry T. Wright, Equitable Society, past president National Association of Life Underwriters; P. B. Hobbs, National association trustee and Chicago agency manager Equitable Society; A. E. McKeough, Occidental of California, president Illinois State Association of Life Underwriters; W. M. Houze, John

U. S. Life People Give Slants on Far East Problems

NEW YORK—American business interests in the Far East did not anticipate a Japanese attack on the United States, although they were preparing for the contingency of a war between the United States and Japan, Mansfield Freeman, president of United States Life and Asia Life, Shanghai, stated in an interview. Both companies operate in Chinese ports, the Straits Settlements, Philippines, Netherland Indies, and United States Life is active in Hawaii. The Asia Life has approximately \$20,000,000 in force in that area and United States Life \$10,000,000, of which about 25 percent is in Hawaii. Little is known about the business in Japanese occupied areas except that word has been received indirectly that the staffs are safe in Shanghai and Manila; nothing has been heard from Hong Kong since its capture. L. D. Littlefield, vice-president Asia Life, and W. A. Hale, vice-president United States Life, are in Shanghai, and Mrs. Ethel Newman, resident secretary, is in Manila. General agent in Shanghai for the United States Life is the American Asiatic Underwriters and in the Philippines, Elizalde & Co., Manila.

Manila Before War

Before the occupation of Manila, United States Life received word that business was suffering a minimum dislocation from the war. All policies written in the Far East for many years have contained a military and naval service clause. The plan followed is similar to that used by the Canadian companies. Assured in military or naval service in war time pay an extra premium of \$90 per \$1,000; in submarine and air service, \$150; physicians, \$40, and nurses, \$25. United States Life had one \$5,000 claim resulting from the attack on Hawaii because of the death of a naval flyer. The company is continuing to write full coverage up to \$5,000 on civilians, as is being done by other companies operating there. Companies operating in the Far East use more restrictive military and naval service clauses than customary in the United States.

United States Life had one of the best years in its history in 1941, ending the year with a gain of \$12,000,000 insurance in force as compared to a gain of \$5,350,000 in 1940. Insurance in force is now over \$70,000,000. Accident and health premium income in the first full year the company has written the line approximates \$150,000.

It is taking over 5,000 square feet of additional space in its home office building at 101 Fifth avenue, and is remodeling and rearranging space on several floors in the interest of efficiency. Already completed are an auditorium which seats 75 and a kitchen. The auditorium is used as a large reception room when no meetings are in session. It also serves to house articles of historic interest in the development of the company. Among these are the company's charter and first policy, issued in 1850, and old slave policy issued in 1852, and an agency publication of 1864. The company plans to enter additional states in 1942.

C. V. Starr, chairman of both United States Life and Asia, has extensive publishing, financial, and other interests in the Far East, mostly in Shanghai and Manila. During the bombing and burning of Shanghai in 1937 by the Japanese, United States Life did not have a single death claim, and Asia Life but two. There was no loss of life or destruction of property in the recent occupation of the International Settlement there by the Japanese.

Hancock, past president Chicago association. Carl A. Peterson, supervisor of agencies Northwestern National, attended.

Northwestern Nat'l Gives No. 1 Report

Minneapolis Company's Statement Released Jan. 2 —Insurance Up \$21,000,000

Northwestern National Life again this year keeps up its remarkable record of being the first company to release its annual statement figures. The story was available for daily newspapers Jan. 2. That requires a great deal of close planning.

Northwestern National was able to cite very impressive gains in many directions and an increase in financial strength.

Insurance in force totaled \$481,197,511 or an increase of about \$21,000,000. Assets now total \$86,729,083 or an increase of \$5,944,880. Surplus and voluntary contingency reserves increased to \$6,703,947, consisting of capital \$1,650,000, net surplus \$2,504,254, general contingency reserve \$650,000, special contingency reserve \$1,899,693.

President O. J. Arnold remarked that management expenses were reduced in 1941 despite the rising operating cost and despite the increase in insurance in force. There was a sharp improvement in persistency and a substantial increase "in the percentage of the management expense dollar that was paid to agents." Mr. Arnold attributes the improved persistency not only to the better financial condition of many policyholders but also to the Northwestern National's method of compensating agents which puts a premium on persistency.

Northwestern National's investments in U. S. government bonds increased \$3,770,000 during the year and now total \$28,250,962. The mortgage account went up to \$16,491,993, or an increase of about \$5,000,000. The mortgages are mostly FHA. Policy loans at \$9,229,752 are about \$200,000 lower than a year ago.

Death claim payments totaled \$2,638,842 and payments to living policyholders including policy loans amounted to \$3,371,617. Payments to policyholders since organization have amounted to \$118,927,969.

New Setup in E. A. Woods Agency

The Edward A. Woods Co. agency in Pittsburgh of Equitable Society has been divided into executive, agency and home office departments. The executive department continues to be headed by William M. Duff, president and manager.

William J. Cummins becomes head of the agency department as agency superintendent and Robert L. Feldman is assistant agency superintendent. Mr. Cummins has been with the office since 1919 and has been in charge of recruiting. Mr. Feldman has been with the agency since 1926, and has headed the estate analysis and program and the advanced underwriting departments.

The home office division includes cashier's department, medical, real estate and a claim department.

The agency department has been divided into six divisions, each headed by its own director. These are the agency training, recruiting, leads, agents' bureau of issue, group and salary savings, and assured home ownership.

Bay State Bank Dividends

Dividends totaling more than \$1,000,000 will be paid in 1942 by Massachusetts savings banks on life policies. The same basic scale will be used as 1941. Four of the issuing banks will pay less than the basic. Premium rates will remain unchanged.

Woodson Assistant Manager of Research Bureau

Announcement was made of the election of B. N. Woodson as assistant manager of the Sales Research Bureau at a gathering of the staff to listen to a presentation of the history of the bureau at its 20th anniversary by Manager J. M. Holcombe, Jr.

In 1922 the bureau began its career as a part of Carnegie Institute of Technology. Domiciled there at the same time was the Life Insurance Salesmanship School. At that time 13 companies became members. Today there are 127 members.

Mr. Woodson started business with the Union Pacific Railroad. He soon entered the life insurance business in Omaha as secretary to R. E. Irish, now president of Union Mutual Life, when Mr. Irish was director of agencies of Bankers Reserve Life. Mr. Woodson later became associated with the home office of Mutual Trust Life of Chicago. During his eight years with this company he served as agency secretary, as assistant to President Olson, as manager of the Seattle agency, and finally as regional agency manager in charge of the western states.

He had thus had a broad experience in dealing with agency problems, both in the home office and field when he joined the staff of the Research Bureau in 1937. Since that time he has been appointed successively as the director of managers' schools and in 1939 was made an officer



B. N. Woodson

War Clause Decisions Brought Up to Date

Vice-president W. J. Graham of Equitable Society has addressed the agents, explaining the considerations behind the regulation to limit among those in the armed services the sale of insurance only to those not likely to be sent outside this country and then only after they have bought the full allowance of government insurance.

"Now that we are at war we face in a practical way the responsibility of properly advising men in the army, navy, air, coast guard and marine services of the United States of the advantages to them of utilizing the insurance provided by the Congress in the national service life insurance system under which the extra cost of insurance for war hazards is borne by the government on behalf of the country as a whole, to the relief of the service man in an endeavor to obtain similar insurance for himself at the high costs inherent in insuring against the war hazard.

"Since service men can purchase government insurance which will provide

them with full protection from any cause, it would hardly be fair to solicit service men for protection when restricted by the war clause. Many service men would also find it difficult to pay the premiums in view of their modest compensation. It follows that it would not be sound underwriting to sell new insurance to men in the various military and naval services of the country because they may be exposed immediately or in the future to increased mortality hazards from hostile enemy action.

Conditions Are Set Forth

"In view of these circumstances the Society, logically, has adopted a regulation which, under ordinary circumstances, would preclude the issuance of insurance upon the lives of service men.

"Under our present practice, in certain instances insurance with the war clause will be issued to service men subject to the following conditions:

"1. Where a service man has availed himself of the full limits of government insurance.

"2. Where it can be reasonably well established that such service men will continue to serve within the boundaries of the United States.

"The accompanying memo supplies a general explanation of the war and aeronautic restriction clauses which I think you will appreciate as a well considered endeavor to meet all the demands of the war situation in fairness to all types of Equitable policyholders.

"Equitable agents should bear in mind that the greater portion of the insuring public will not be called for military or naval service and, furthermore, excluding such services and except for the few who may be engaged in aeronautic activities, civilians will not be affected in any way by the war clause so long as they remain within the boundaries of the United States and Canada.

"The American public is more than ever conscious of the need for security of the family and life insurance under present economic conditions is the soundest method for providing for their financial protection."

Also Equitable has sent out this memorandum on its war and aeronautics clause with the notation that it is not applicable to policies issued for delivery in New York, Texas and Minnesota:

"Since the use of the 'war and aeronautics restrictions' clauses has become general with all new life insurance policies issued by the Society, certain questions have been raised, which prompts us to bring the following to your attention.

Distinction Is Pointed Out

"Under these provisions, you will note that if the insured is in the military, naval or air service and should die from disease or accident while still in the United States or Canada, the face of the policy would be paid in full; unless, of course, such death was connected with injuries or disease resulting from some form of hostile act such as enemy action, sabotage, etc., or as a result of service, travel or flight in any species of aircraft, except as a fare-paying passenger, etc.

"You will also note that the face of the policy is not limited for civilians while they are in the United States and Canada except as provided under the aeronautics clauses. Thus, the face of the policy would be paid in full if death resulted from an air raid within this country while the insured is a civilian.

"Note should also be taken of the fact that people in civilian life, working in navy yards, camps, etc., as well as civilians who are volunteering for such defense services as that of fire warden, ambulance driver, etc., as such services are presently constituted, enjoy the same position as other civilians.

(CONTINUED ON PAGE 11)

A 20 PAYMENT LIFE

The "oldest policy" paid as a claim during a recent month was one that was written in 1888, when the insured was aged 27. He died at age 80.

The policy was a 20 Payment Life, which meant that he made his last premium payment in 1908, and the insurance remained full paid for 33 years. But it continued to pay dividends, an annual check going to the insured all this time.

This insurance estate was payable to the insured's wife and two sons and two daughters, each payable \$2,000. One son and one daughter took lump sum cash. The wife and one son and one daughter each left the share with the Company at interest, payable quarterly.

During the 20 years of premium payments, the insured paid in a total of \$5,694. The 52 years of dividends returned a total of \$4,172.01.

So that the net premium costs to the insured for 53 years of protection of \$10,000 came to only \$1,521.99.

Or you may look at it the other way: in 53 years he had paid in \$5,694 and he and his estate received \$10,000 plus \$4,172.01 in dividends.

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THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Sanborn Resigns as General Agent

Boston Leader Is Forming Financial Organization to Aid Agents

The resignation of Paul C. Sanborn as a general agent for Connecticut Mutual Life in Boston has been submitted to



PAUL C. SANBORN

the directors of that company to be effective Jan. 15.

Mr. Sanborn, recently a trustee of the National Association of Life Underwriters and a former chairman of the Million Dollar Round Table, declines to make any further announcement of his plans at this time except to say that he is preparing to devote much of his time "to the development of a new and valuable service on behalf of all life insurance agents." It is understood that Mr. Sanborn's enterprise will be in the financial field and may include the making of policy and other loans.

Siegel "Counsel" Service Folds Up in Kansas City

KANSAS CITY—H. R. Morton, local affiliate of Morris Siegel, director of the Policyholders Advisory Council, New York, has gone out of business, it is reported by the Better Business Bureau "Bulletin." When Siegel came to Kansas City some time ago to open an affiliated concern, he began broadcasting attacks on various features of life insurance policies in order to attract clients for his service, the "Bulletin" points out.

The bureau objected to Siegel's confidence-destroying advertising, and several radio stations declined to accept its advertising programs. The bureau also broadcast cautionary data about self-styled risk "counselors." Siegel took offense and circulated an open letter criticizing the bureau's information. The bureau replied with published questions about Siegel's record and qualifications as an insurance "expert." No reply was received.

The Missouri insurance commissioner has complimented the bureau on its stand regarding self-styled insurance advisers.

Trips to N. A. L. U. for Production

DES MOINES—Central Life of Iowa will reward its leading agents and general agents by sending them to the convention of the National Association of Life Underwriters in Minneapolis the week of Aug. 23.

For years until 1941 the company awarded a few of its agents trips to this convention, but discontinued doing so in 1941.

Early Company Reports on Insurance Writings Reveal Upward Surge

Connecticut Mutual Life gained more than \$50,980,000 in life insurance in force during 1941. Total at the end of the year was \$1,135,818,584, a new high.

December paid for business showed a gain of 22.3 percent over December, 1940, with \$11,646,022, against \$9,525,487 a year ago. Total new business in 1941 was \$108,078,180, largest amount in any one year since 1930.

Again the Edward A. Woods agency leads Equitable Society in life sales for 1941 and in December produced a record month with a total of 3,696 applications for \$12,432,447. For the year there were 63,099 applications for \$126,505,430. Business in force in the agency is about \$1,100,000,000.

Insurance in force of the Massachusetts savings banks reached \$209,080,000, represented by 232,000 policies. Mortality ratio was less than 30 percent of expected. Net interest earnings amounted to 3.25 percent. Surplus for the system amounts to 8.75 percent of reserves.

Holdings of U. S. government bonds increased to more than \$4,600,000.

Home Life in Big Gain

Home Life of New York reports an increase in new paid business during 1941 over 1940 of 21.7 percent. The total paid-for last year made 1941 the fourth best year in the company's history, with the pre-depression years of 1928-'29-'30 only exceeding last year's production.

The average size sale continued to climb to \$6,315, an all-time high. The company for the past four years has led all companies with insurance-in-force over \$100,000,000 in the matter of the average size policy.

The gain of insurance-in-force represented 7 percent of the insurance-in-force at the beginning of the year, and while new business was paid for in near record-breaking figures, persistency remained good—actual terminations being 12 percent lower in 1941 than in 1940. December set a new all-time high in a single month's issued volume, breaking a record previously set 14 years ago in December, 1927. Paid-for volume exceeded December, 1940 by 16.8 percent.

Up 80 Percent in December

State Mutual Life showed an 80 percent gain in paid for in December, making its total 1941 volume 10.85 percent greater than the 1940 figure.

December was the largest month in submitted business in the company's 97 year history. It was the largest December in issued business since December, 1938 which it far exceeded in submitted volume.

Gains have now been made in 22 of the past 23 months; with a large volume of carry-over the company anticipates rounding out a two year record at the end of January.

Nearly a thousand more policies were issued in 1941 than in 1940, December contributing a gain of 555 policies over December, 1940. The company also showed a gain of \$1,386 in the size of each policy issued in the final month, against December, 1940.

The Gerald H. Young office, New York City, and the Joe C. Caperton office, Chicago, ranked first and second, with R. W. Frank of the Caperton office, the paid business leader for the year. Lives leaders was W. A. Tidwell, Indianapolis, who has now led in that category for six consecutive years.

Has 600 Million in Force

Insurance in force of National Life of Vermont rose to \$600,130,230 at the end of 1941. The agency force slightly passed the objective in the "V 600 campaign."

The paid new business of \$53,806,225 in 1941 was a gain of 19.4 percent over 1940, and in December there was a gain

of 37.45 percent over December, 1940. There was much additional business in process, which will go over onto next year's record. The annual statement will be released in about 10 days.

Record Month for Bankers

Bankers Life of Iowa December business was the biggest since June, 1930, with \$11,522,868 insurance written. This was a gain of 181 percent over December, 1940. Group insurance and annuities were not included. The gain for the year was approximately 17 percent. Leading agency for December was the W. K. Niemann agency of Des Moines, with an increase of nearly \$500,000 in new business over December, 1940.

The last week of December was the biggest week in the company's history, with 1,746 applications for \$5,458,000 submitted between Dec. 22 and 27. Dec. 22 set a new record for business submitted in one day, with 978 applications for \$3,296,318.

Union Central's Big Carry-Over

Union Central Life of Cincinnati begins 1942 with a large carry-over of applications from December, according to President W. Howard Cox. In December total business was \$27,196,185, up 57 percent over December, 1940.

Life insurance in force showed an increase of \$8,000,000 in 1941. Total paid business was \$94,252,659, a gain of \$4,469,567. December was the company's 10th consecutive month to show an increase over the corresponding month of 1940.

Volunteer State's Record

Volunteer State Life in 1941 reported the agency paid for business increased 14 percent over 1940. December recorded the largest paid for volume of new business of any corresponding month since 1935. There was marked reduction in terminations and substantial increase of insurance in force.

The effort to improve the caliber of the agency force was reflected in the fact that new business came from a smaller number of agents under contract. More than 52 percent of the total new business came from new organization appointed within the last three years and over one-third of the new business came from the agency force holding membership in the Cecil Woods Club, the highest honor club.

Guarantee Mutual Increase

Guarantee Mutual Life wrote \$21,306,000 of life insurance during 1941 thus recording a gain of 25.67 percent over the amount written during 1940.

New business paid for amounted to \$18,330,000, an increase of 25.42 percent over the record of the year previous. Insurance in force is \$147,900,000, a gain of \$8,600,000.

Leading agencies for the year on a paid basis were: Sam B. Starrett, Jr., Omaha; E. L. Scarlett, Fargo, N. D., and Carl M. Leonard, Tulsa. The leading personal producer was O. C. Nail, Spokane, for the ninth time in the last ten years and for the seventh consecutive year.

The year just closed was one of the best in the 92-year history of Manhattan Life. Insurance in force increased 11 percent and mortality was exceptionally low. Persistency showed a marked improvement. November and December volume was up substantially.

Protective Life, Birmingham, reports insurance in force at the end of 1941 was \$158,000,000, an increase of about \$26,000,000 for the year, or approximately 20 percent.

Scranton Life's new paid business in 1941 exceeded 1940 figures by 3 percent. December production exceeded that of December, 1940, by 42 percent. Insurance in force is \$35,604,000, an increase,

Dec. 1 Values Better Than Dec. 31

Most Companies Will Claim Surplus Only on Year End Quotations

Despite the fact that the security valuation book of the National Association of Insurance Commissioners will give Dec. 1 rather than Dec. 31 values for stocks and bonds not eligible to amortization, the average prices shown will be slightly under those existing at Dec. 31, 1940. For instance, the Dow-Jones average figure for industrial stocks at Dec. 31, 1940, was 131.13, whereas at Dec. 1, 1941, it was 113.59. Incidentally at Dec. 31, 1941, the corresponding figure was 110.96. For rails, the corresponding figures were 28.13 at Dec. 31, 1940; 26.87 at Dec. 1, 1941, and 25.42 at Dec. 31, 1941. For utilities the corresponding figures were 19.85, 15.54, 14.02. The average for stocks was 43.70, 38.34 and 36.93.

For 40 bonds, the corresponding figures were 90.90, 90.21 and 88.11; 10 first rail, 95.27, 92.80 and 90.49; 10 second rail, 50.27, 49.79 and 48.85; 10 utilities, 109.61, 110.37 and 108.01; 10 industrials, 108.56, 107.87 and 105.09.

Many of the companies will claim no more surplus than would be produced by use of Dec. 31 market quotations and will put the difference between values at Dec. 1 and Dec. 31 in some sort of a special reserve. Other companies, however, may feel that Dec. 1 values are even more truly representative than Dec. 31 values, because right after the first of the year the stock market took a sharp upward turn. There was a great amount of tax selling in the latter days of December that had a very depressing effect on the market.

Drop N. Y. Life Agency Directors' Convention; Club Meetings to Be in August

New York Life has notified its agency directors that the annual agency directors' convention usually held in January will not be held this year because of the war. Club conventions will be held in August rather than in September, although this change is not due to the war but to the feeling of many leading agents that holding meetings in September interfered with business.

The current club year will end May 31 for writing business and July 15 for paying for business. Hereafter the club year will begin on June 1 and end May 31. Because of the shorter time qualifications have been prorated as follows:

Top Club, \$206,000 instead of \$225,000; Two Club, \$160,000 instead of \$175,000; One Club, \$92,000 instead of \$100,000.

Hull, Myrick on Coast Trip

J. Roger Hull, vice-president and manager of agencies of Mutual Life and Julian S. Myrick, second vice-president, are visiting west coast and northwest agencies, in the first trip they have made since their recent appointments to their present positions. They are holding meetings in Los Angeles, Oakland, Portland, Seattle, Spokane and Billings.

Mr. Hull at Oakland inducted Alfred C. Nelson as manager to succeed Harry B. Cadwell, who was recently made Hull's assistant at the home office in New York. He and Mr. Myrick then attended the meeting in Los Angeles to inaugurate G. A. Sattem, who is succeeding Fred C. Hathaway.

Metropolitan Managers Elect

The Boston Managers Association of the Metropolitan Life has elected John M. Leonard of Brookline, president; and Thomas F. Murphy of East Boston, vice-president and secretary.

HIGHEST INSURANCE IN FORCE
 Total insurance-in-force in Home Life is
 now the greatest in Company history.

AVERAGE SIZE POLICY GOES UP
 The average size policy sold by Field Underwriters of the Home in 1941 amounted to \$6,315, which is sure to place Home Life again as one of the leaders. For the past 4 years, 1937-'40, Home Life has led all companies in producing the highest average sales.

LOWER MORTALITY
 Below 50% of expected. Early press time prohibits printing precise figure but estimate promises a ratio lower than the average of the Company for the past five years.
 Few declinations: Only 4.4% of the number of applications submitted in 1941 were declined; and only 4.9% of the volume.

GAIN OF INSURANCE IN FORCE
 The gain of insurance-in-force represents 7.0% of the insurance-in-force at the beginning of the year, a most impressive gain which is a tribute to the enthusiastic cooperation of the Field and Home Office forces.

PERSISTENCY GOOD
 While there was more insurance in force this year than last, actual terminations were 12.0% lower in 1941 than in 1940.

NEW BUSINESS PLUS 21.7%
 In only three other years in our eighty-two year history was the 1941 paid-for volume bettered. The increase over 1940 amounted to 21.7%.

"A VERY
**Good Year,
 Thank You!"**
 - Home Life



Home Life Insurance Co., New York

ETHELBERT IDE LOW, *Chairman of the Board*

JAMES A. FULTON, *President*

WILLIAM P. WORTHINGTON, *Vice Pres. and Supt. of Agencies*

Agents of Most Use in Own Jobs

Pres. Cleary's Paper Read at Northwestern Mutual's N. Y. Rally

NEW YORK—Today's struggle is for the very existence of the country, its freedom and its way of life, President M. J. Cleary of Northwestern Mutual Life stated in a paper read to agents of the company at their convention here. Illness prevented Mr. Cleary from attending the rally, and his paper was read by L. J. Evans, assistant director of agencies.

Until the present struggle is ended there is no alternative for an American. He must stand squarely behind his government with everything he has, Mr. Cleary said in his paper.

The ways to help in this situation are vast and varied, Mr. Cleary asserted. But "until you or I are needed in other places to which we should and will go if that time comes, we can best serve the cause of the country by effective and diligent service in the place we are. As we solve the problem of the individual we do solve the problems of the nation."

Mr. Cleary asserted that there could be no permanent peace until "we find an answer to the bread and butter problems of men." A satisfying standard of living for a material percentage of the people can only come from the efforts and thrift of the individual. "Only through economic independence can we have personal freedom and the right to plan and live our own lives. We as a life insurance fraternity should recognize our ability to contribute in this field."

Contributes to Nation's Welfare

American life insurance has demonstrated its ability to solve the economic problems of the individual and the family, he said. As the agent helps the individual to do this, he contributes to the solution of the basic problem of the nation. He is helping win the war and, more important, the peace to follow. He suggested that agents can do well to stick resolutely to their main course during 1942.

Policyholders are asking questions that show concern about the future of their life insurance, he said. They are asking whether they should continue to pay premiums or surrender their insurance. These doubts are bound to be in the minds of prospects also.

It is the job of insurance to be itself clear on the answer to these questions, and to be able to present the answer convincingly. Life insurance, in a seasoned, well managed company is safe so long as the government is safe, he said. That has been amply demonstrated in many ways, by the performance of life insurance during the first war and the influenza epidemic at that time, the war inflation of a violent type and subsequent deflation, the speculative period that ended in 1929, and the depression that followed.

American life insurance can and will survive any change short of a national collapse, he stated in his paper. The policyholder who thinks of lapsing or surrendering should give serious thought to what he is giving up. He may never again be able to get a policy that gives him as complete protection as the one he had. In fact he may never again be able to get a policy at all.

Commenting on the position of the company at the end of the year, Mr. Cleary stated that there were no new defaults in bonds, and there was a marked improvement in the amount of interest received in 1941 over previous years on bonds in default at the beginning of the year. Some progress has been made in the reorganization of railroads in trouble.

The company invested \$142,000,000 in bonds the first 11 months. The aver-

Statistical Men Meet April 23-24 in St. Louis

The annual meeting of the Insurance Accounting & Statistical Association will be held in St. Louis April 23-24 at the Hotel Jefferson. More than 325 are expected to attend.

The convention will again feature separate sessions for the life, fire and casualty sections with John P. Walker, Jr., Southland Life, in charge of the life section; C. S. Jones, Indiana Lumbermen's Mutual, in charge of the fire section, and Forrest Jones, Continental Casualty, in charge of the casualty section.

B. H. Miller, State Farm Life, president, has named I. H. Wagner, controller Business Men's Assurance, chairman of the 1942 exhibits committee; G. D. Gurley, Royal Neighbors, chairman of publication committee, and E. F. Cooley, Prudential, chairman for research.

Composed of accountants and statisticians representing life, fire and casualty companies, the association has grown in 14 years from a small organization sponsored by a group of Illinois life companies to a total of 167 member companies of all classes over the country.

age life of these bonds to maturity is slightly over 21 years, and the average yield to maturity is 3.11 percent.

The effort to find new outlets for money in the mortgage loan field is persistent, he stated. The demand for money in this field is very moderate and the competition is keen. Repayments on existing loans are heavy. The result is that farm and city mortgage fields show a moderate decrease in the amount invested while the residence loan account shows a substantial increase. There is a very satisfactory trend in farm sales. In 11 months the company's finance committee approved 629 sales covering more than 131,000 acres, asset value of which was \$4,963,000. The sale price was materially more than that value. City properties also showed a substantial gain in sales price over asset value. The year will show a gratifying progress in the company's program for liquidation of acquired real estate plus a good net income from real estate loans.

Because of low interest earnings, mortality is more important in the net cost picture then ever. In 11 months estimated mortality was 50.10 percent. This compares with 54.15 percent in the like period of 1940. Each point in the percentage represents more than \$400,000.

Sets Accidental Deaths at 100,000

Metropolitan Life Estimate for 1941 Exceeds 1940 by 3,000

Metropolitan Life estimates that the accidental deaths in 1941 numbered 100,000 as compared with 96,885 in 1940. The number of automobile fatalities for 1941 is put at 39,500, which is greater by 5,000 than in the previous year. There was a sharp rise in deaths due to occupational accidents which is attributable to greatly increased industrial activity. The increase in this class is estimated at about 1,500.

Fewer Serious Catastrophes

About 1,000 fewer persons were killed in home accidents and in accidents in public places other than those involving motor vehicles. There was an increase in the number of accidents costing five or more lives but the total number of lives lost in such catastrophes was less than in 1940. The greatest loss of life resulted from the ship and pier fire at Brooklyn in August. That involved 37 fatalities. In June an explosion in a boat filled with picnickers in Maine cost 36 lives.

picture then ever. In 11 months estimated mortality was 50.10 percent. This compares with 54.15 percent in the like period of 1940. Each point in the percentage represents more than \$400,000.

Tax Possibility

While 1941 administrative and general expenses will vary little from 1940 Mr. Cleary predicted an increase in 1942 because of the rising price level, increased cost of living, upward trend in wage level, possible additional taxes on life companies, etc.

The dividend allotment for 1941 was earned and there will be a substantial excess of earnings to go to surplus.

Mr. Cleary expressed the belief that properly placed life insurance will generate hope and stability during the war and contribute mightily to the problem of reconstruction after the war is over. It will conserve for the individual and the family funds paid in and at the same time make them available to finance basic national needs. He believes that no one in the business need feel apologetic.

New Midland Mutual Setup at Marion, O.

Charles E. Sherer is the new general agent and Roy W. Kauble associate general agent of Midland Mutual Life at Marion, O. This arrangement was made following the death of Charles E. Schaad.

Mr. Sherer's first association with Midland Mutual was in 1936. He and his father, then in Akron, O., formed a partnership known as Sherer & Sherer. They then moved to Pittsburgh, where they have remained, building a successful agency. Mr. Sherer was graduated from Western Reserve University in 1929. He received his C. L. U. designation last September. He helped organize the Pittsburgh Junior Chamber of Commerce and is now its president.

Mr. Kauble has been connected with Midland since 1922. He was formerly a school teacher. Mr. Kauble has been active in agency affairs under the leadership of the late Mr. Schaad. He acquired the C. L. U. by passing all examinations at one time. Mr. Kauble was born and reared in Marion county.

The Marion office has approximately \$9,000,000 of insurance in force on about 6,000 individuals.



CHAS. E. SHERER



R. W. KAUBLE

N. Y. Banks Want Limit Per Life Increased to \$7,500

NEW YORK—The New York savings bank life insurance system, which has so far not tried to get the \$3,000 per life limit raised, is reported to be mobilizing to obtain at this year's legislative session an increase to \$7,500 per life.

The reason given for wanting to increase the limit is to enable the banks to write mortgage protection insurance on their mortgage borrowers. Up to about last spring savings bank life insurance men disclaimed any desire to seek a higher per life limit than \$3,000. However, about that time some of the banks began writing a special mortgage retirement policy consisting of a single premium term policy covering the unpaid installments on residence mortgages. The amount of the single premium was added to the loan and spread out over the usual amortization period which might run as much as 20 or 25 years.

Since a bank's loans, if insured by the Federal Housing Administration, may run as high as \$5,400 on a \$6,000 house the \$3,000 per life limit kept many borrowers from insuring the full amount of their unpaid balances.

Life insurance men feel that if the per-life limit were raised to \$7,500 or some figure in that neighborhood that would cover the unpaid balances of the bulk of residence mortgage borrowers there would be no restriction limiting the application of the higher limit to mortgage cases and that from there on it would only be a matter of time before the bars were let down completely. Furthermore, now that the Bowery, which is the largest savings bank in the world, and other large savings institutions in the state have come into the system, savings bank life insurance in New York may soon include all of the state's 134 savings banks and that they will demonstrate a considerably more aggressive attitude. To date the competition from savings bank life insurance has been relatively trifling.

Write Big Total for President Talbot

A testimonial to President Walter LeMar Talbot was conducted in December by Fidelity Mutual field under leadership of W. Stanton Hale, Atlanta manager and president of the Fidelity Managers Association, as a prelude to Mr. Talbot's 60th Fidelity anniversary celebration to be observed Jan. 14. More than \$7,000,000 of business was submitted in his honor in the month.

The new paid volume registered for 1941 totaled more than \$31,000,000, to give the largest count since 1932 and an increase over 1940 of more than 20 percent. Insurance in force gained over \$12,000,000, bringing the total at year end to almost \$383,000,000.

The anniversary will be celebrated at a testimonial dinner in Philadelphia at which a large cross-section of Fidelity's field will be represented, including nine guests of honor chosen for outstanding performance in the testimonial period.

Confer on War, Defense Problems

Richard Pille, analyst of the Connecticut Mutual Life, held a three-day conference in insurance programs, especially phases originating as result of the war and defense, for Cincinnati life insurance brokers and Connecticut Mutual representatives. W. T. Earls, Cincinnati general agent of Connecticut Mutual, was chairman.

The Connecticut Mutual is holding similar conferences, designed to study and analyze war and post-war influences on life insurance, in all parts of the country.

MUTUAL LIFE moves forward

The Mutual Life Insurance Company of New York has taken prompt and definite steps to achieve increased usefulness under the unusual conditions reflecting the war and its impact upon the American economic and social structure.

Among these steps are measures designed to give:

- 1** *Adequate protection to existing Mutual Life policyholders and their beneficiaries against present day hazards.*
- 2** *Effective cooperation with the company's field underwriters in meeting the unprecedented sales problems now facing all life insurance companies.*
- 3** *Practical working knowledge of the changing needs for life insurance in the light of new conditions.*

With more than 3½ Billions of insurance in force, Mutual Life begins its 99th year well equipped to meet its responsibilities to the American public in the difficult days ahead!

The Mutual Life Insurance Company
OF NEW YORK



"FIRST IN AMERICA"

LEWIS W. DOUGLAS, PRESIDENT

34 NASSAU STREET • NEW YORK CITY

Group Coverages Make Gains in 1941

Vice-president of Equitable Society Reports on Record Results

Group life insurance increased about \$2,250,000,000 last year, it was estimated by W. J. Graham, vice-president of Equitable Society. The total of group in force in all companies probably reached the all-time peak of \$18,500,000,000, he said. This was about double the total of a little over \$9,600,000,000 in force at the end of 1929, the high mark for most American financial institutions.

Record gains were made last year in all forms of group insurance, he reported. The volume of this protection in force in American industry reached an all time record total.

Says 12,500,000 Persons Covered

Group life insurance provided by voluntary cooperation of American employees and employers, last year covered 12,500,000 individuals employed by 32,800 companies, assuring, on the average, one year's wages in case of death of the breadwinner and time in which to adjust living standards to the loss. Mr. Graham said records indicate about one-half of those protected by group life insurance carry no other life protection.

Jan. 1 was the 30th anniversary of the Equitable's group insurance department, the first in the country. Low cost protection now is provided against all the normal financial hazards of life, he commented, these coverages including group accident and health, hospital expense and surgical benefits for both employees and their dependents, accident, death and dismemberment coverage, and retirement income, either independent of or supplementing the social security act.

Strong Support of Nation

"In peacetime, the group coverages have been a bulwark set up by American employers to save their employees from becoming a charge on the community," Mr. Graham said. "In war these services become of increasing value in giving financial assistance to those behind the lines and in easing the burden of public and private charitable institutions. The all-out production, which is imperative for the successful prosecution of the war, has already raised industry's toll in accidents and sickness far above normal. The count will be still larger in 1942, and the group-writing companies are proud of the wide spread of group coverages that stands back of the defense worker and his family."

Group life insurance increased about \$400,000,000 in the Equitable Society last year to the new record of \$2,750,000,000 in force protecting 1,700,000 certificate holders, he reported. Group life production in 1941 reported in the group honor roll for that year of the Equitable's Group Millionaires Club totaled \$136,300,000 and group life premium income \$31,977,352, compared to \$29,232,395 in 1940.

Results in the other group coverages were: Group accident and health (weekly benefits), \$610,000; and group accident and health premium income in 1941, \$5,437,282, against \$4,450,736 in 1940; group hospital expenses (daily benefits), \$345,000; group surgical benefits (maximum benefits), \$10,740,000; group hospital expense and surgical benefits premium income 1941, \$5,100,991 against \$3,391,610 in 1940; accidental death and dismemberment (principal sum), \$80,200,000, and corresponding premium income 1941 was \$835,349, compared to \$634,481 in 1940; group annuities (annual income at maturity), \$2,110,000, and corresponding premium income 1941 was \$41,036,934, against \$30,281,273 in 1940.

Thus total premium income of the group department for all lines increased

New Vt.-N. H. Unit for Equitable

New Hampshire and Vermont representatives of Equitable Society met in Concord, N. H., to welcome Spencer S. Dodd, manager of the company's new agency for the two states. Headquarters



SPENCER S. DODD

will be in the Patriot building, Concord.

Mr. Dodd has spent 20 years as a producer and organizer. He formerly was for several years a unit manager in Equitable's Boston agency. He has spent his entire business career in New England.

Among those who attended the meeting were William J. Carter, agency manager at Boston, with whom Mr. Dodd has been associated for some years; Harold C. Nolting, agency manager at Syracuse, and Fred C. Rozelle, agency manager at Portland, Me.

The new agency in Concord will include a cashier's office in charge of W. A. Davenny, transferred from Burlington, Vt.

Conn. General Life Honors Russell's 40th Anniversary

HARTFORD—Thomas W. Russell, general agent here of Connecticut General Life, was guest of honor at a luncheon in celebration of his 40th anniversary with the company. Members of the Allen, Russell & Allen agency were present at the celebration as well as many head office executives.

Son of a former Connecticut General president, Mr. Russell joined the company in 1902, following graduation from Yale the year before, and after a year in clerical jobs entered the selling field. In 1907 he organized the agency he now heads. He built an agency which today ranks eighth in new paid premiums among the Connecticut General's more than 60 offices.

Stockholder Suit Is Brought

Maurice Miller, New York attorney, has filed a suit as stockholder in superior court of Hartford county against the directors of Travelers, Connecticut River Banking Company, Travelers Bank & Trust Co. and the companies themselves. He charges illegal loans and asks for dissolution of the two banks.

President L. E. Zacher of Travelers issued a statement to the effect that Miller owns a few shares of stock and that the material of his suit is taken from the printed reports of the Temporary National Economic Committee.

from \$67,990,495 in 1940 to \$84,387,908 in 1941. There was a net gain of more than \$7,000,000 in staff insurance, with paid for business ahead 20 percent.

Mark B. Higgins, director group department, E. A. Woods Company, Pittsburgh, was elected president of the 1941 Group Millionaires Club of Equitable Society; John E. Gettys, supervisor E. R. Geter agency, Rock Hill, S. C., vice-president, and Miss Edith B. Hampton, home office group department, secretary.

Equitable Has 20% Increase in \$200,000 Producers

NEW YORK—Officers of Equitable Society were hosts to qualifying members of the New York metropolitan district at a reception and dinner which marked the culmination of a concerted effort of the company's managers and general agents in New York City to build up representation in the \$200,000 and higher clubs. The campaign ran from Nov. 22 to Dec. 31 and resulted in a 20 percent 1941 increase in membership in these clubs over 1940. Attendance was also made possible for various new representatives and others who met certain minimum requirements.

At the head table were the following eight leaders for the year; Leon Gilbert Simon, E. Schoenhardt, Norman Strong, L. H. Bunting, Seymour Sutorius, D. A. Freedman, Hyman Holtz, and G. E. O. Bell. In addition to the 141 representatives who met the qualification requirements there were 33 members of the managerial staff and home office executives in attendance.

President T. I. Parkinson congratulated the New York agencies on their

outstanding December business and total 1941 production. Reviewing the Equitable's progress in 1941 he called attention to a marked increase in assets and total insurance in force, both ordinary and group, which the forthcoming annual statement would show and enumerated extensive new investments during the year, particularly in U. S. government issues.

Manager A. Bleetstein, president of the Equitable's New York board of managers, was toastmaster. The campaign committee consisted of W. J. Dunsmore, chairman; J. V. Davis, Mrs. Leonora Licht, and L. A. Miner.

Inter-Agency Contest Ends

In the inter-agency contest held each fall by Pacific Mutual Life, which closed recently, 49 of the agencies exceeded their quotas, many of them by a large margin. The C. G. Standford agency, Fresno, Cal., was the top agency in applied for business on a percentage basis. The Paschall-Gist agency in Los Angeles submitted the most business (face amount). A total of 1,940 life insurance applications was received during the contest and in addition 1,206 commercial accident applications, for a total of more than \$250,000 in premiums.

Subscribe to *Accident & Health Review*, \$2. 175 W. Jackson Blvd., Chicago.

**BERKSHIRE LIFE'S CONTRIBUTION
TO THE DEFENSE OF DEMOCRACY**

In times of war and disaster thoughts should be turned from the uncomfortable present to the promise of the future. Ever alive to the necessity of preparing for that future, Berkshire Life General Agents and Associates have been successful in effecting an increase of 30% in new paid business as of December 1st.

This splendid achievement has a meaning far greater than an increase of business on the company books. It points to the fact that through life insurance, and not through idle words, many more thousands of policyholders have taken definite steps to demonstrate the essential character of the destiny they propose to achieve for the generations which will follow our own.

The Berkshire will continue to play its part in the present defense of America's fundamental concepts of government and liberty.

Ask any BERKSHIRE Associate

LIFE INSURANCE COMPANY

INCORPORATED 1851

FRED. H. RHODES, President

PITTSFIELD, MASS.

Fidelity Firm Gets Court OK to Reorganize

Insurance people who have been following the involved affairs of Fidelity Investment Association, also known as Fidelity Assurance Association of Wheeling, W. Va., were surprised the other day when Federal Judge Moore at Charleston, W. Va., gave permission to Fidelity to reorganize as a combination insurance-annuity company. The decision permits reorganization under the federal bankruptcy act. That appeal will be taken against this decision is certain. For instance, the attorney general's department of Wisconsin predicted that there would be an appeal. Fidelity had on deposit in Wisconsin about \$2,000,000 of securities.

Under the Fidelity scheme, the contract holder paid in a certain amount each month over a period of years and then was supposed to begin taking at a larger monthly rate over the same period of years. Under a good many of the contracts there was insurance issued by an independent company guaranteeing that in the event of death during the paying in period, the contract holder's payments would be completed.

Just before Fidelity collapsed it undertook to convert itself into an insurance company under the name of Fidelity Assurance Association.

Financial Editor's Attack

Robert P. Vanderpoel, financial editor of the Chicago "Herald-American" made rather savage criticism of Judge Moore's decision. This, he charged, was a grave miscarriage of justice and the decision was based on a mistake in judgment. Mr. Vanderpoel charged that the management of Fidelity over a long period of years abused the confidence that its contract holders placed in the organization. "To reorganize this company now as a life insurance concern and turn savings contracts into life insurance policies can be justified only on one ground—'never give the sucker a break'" Mr. Vanderpoel wrote.

"Life insurance is a great institution, based on trust. The life insurance company to be successful should have no blot on its escutcheon. To take a concern which has failed, which has abused the trust placed in it, the former officials of which are now under federal indictment, and attempt to reorganize it as a life insurance company, totally lacks good sense."

Would Have Bought Insurance

"If the men and women who have savings contracts with Fidelity wanted to buy life insurance in the first place, presumably, that is exactly what they would have done."

"Who is there to take upon himself now the decision that these contracts must be turned into life insurance policies or life insurance annuity contracts?"

"Through long years the Fidelity Investment Association was a racket. Now it is proposed to reorganize this racket as a life insurance company. What a travesty on a noble business!"

"Who is there that would buy life insurance or annuity contracts from an organization of this type when there are conservative, long established, seasoned companies available?"

"Are high pressure salesmen to be turned loose once more on an unsuspecting public? That is the only kind that could sell the wares of a company of this type."

Made Ordinary Field Supervisor

C. Jordan Kreutzer has been added to the home office staff of Colonial Life as ordinary field supervisor. He has been with the company a number of years.

The marriage of Dr. Bert H. Malone, medical director of Gulf Life of Jacksonville, is announced to Miss Violet Glascock of Waycross, Ga.

Myrick in Survey of Field; Honored in Los Angeles

LOS ANGELES—Twenty of the leading life insurance men of Los Angeles were guests at a luncheon at which Roy Ray Roberts, general agent State Mutual and trustee of the National Association of Life Underwriters, presided, honoring Julian S. Myrick, second vice-president of Mutual Life. The luncheon also served to introduce to the life men of the city G. E. Sattem, new Los Angeles manager of Mutual Life.

W. G. Mullendore, executive vice-president Southern California Edison Co. and a trustee of Mutual Life, welcomed Mr. Sattem to the city.

Praises All Good Work

Mr. Myrick said his present trip would give him an idea of what the country is thinking, so that he could make a report on his return to New York. He gave it as his individual opinion that the institution of life insurance comes first, and loyalty to the institution should be paramount over loyalty to the companies. He said his company believes in the institution of life insurance, in the National Association of Life Underwriters, the managers organizations, the local life underwriters associations, the C. L. U. chapters and similar organizations, as they are the guardians for the interests of the policyholders.

He spoke approvingly of the survey of life insurance compiled last year by life insurance committee of the Los Angeles chamber of commerce, under the direction of Dwight L. Clarke, executive vice-president Occidental Life, and said it was the first survey of the kind that had broken down the facts of life insurance insofar as they pertain to any one community.

A. N. Kemp Sees Life Sales Stimulated by War

President A. N. Kemp of Pacific Mutual Life, has issued a statement of encouragement on the probable trend of life insurance sales. He recalled that new life insurance sold in 1914, the year when the first war started amounted to \$2,457,000,000. Each year thereafter, through 1920, the volume grew. In 1915 it was \$2,621,000,000; 1916, \$3,213,000,000; 1917, \$38,040,000,000; 1918, \$3,988,000,000 and in 1919, \$7,010,000,000.

During these same years, the record of Pacific Mutual in new business was: 1915, \$20,427,000; 1916, \$24,156,000; 1917, \$26,581,000; 1918, \$36,050,000; 1919, \$69,911,000.

War itself historically is shown to be a stimulant to the sale of life insurance, he said. The accelerated pace of business (a condition already manifest today) furnishes the means of supplying protection for a need that already exists; a need that is emphasized by war's actuality.

Effect of Wartime Auto Rules on Insurance Agents

Curtailed use of automobiles may cause some inconvenience to life insurance salesmen who are accustomed to using cars on business missions, but they will be far less disturbed than will be those in many other lines.

Gulf Life of Jacksonville instructs its industrial men to advise policyholders that are in the suburbs and the country, that it will be impossible for the agent to see them more often than semi-monthly or preferably monthly.

"We urge you that are in the city not to use your car at all, and if at all, drive it to the nearest point of beginning of your debit and walk for the balance of the day and so on through the week," Gulf Life states.

We "Got It Done" in '41!



1941 was one of the greatest years in this Company's history . . .

With a constantly expanding Agency organization—with our new streamlined policy contracts and sales literature — we confidently expect 1942 to be even greater!



We'll Do It, Too
in '42!

KEEP 'EM FLYING—
BUY DEFENSE BONDS!

California Western States Life Insurance Company
HOME OFFICE SACRAMENTO

Sales Forum Program in Chicago Announced; Treats Today's Problems

The 10 sessions of the 1942 sales forum of the Chicago Association of Life Underwriters to start Jan. 24 and run to March 28 will be addressed by 25 men prominent in the life insurance business. G. L. Grimm is chairman of the educational committee which has charge. This will be a practical study program covering today's problems. The lecturers will be successful producers. The schedule of speakers and subjects is:

Jan. 24—H. J. Johnson, president Institute of Life Insurance, "Professional Characteristics of Life Underwriting," and B. F. Bills, sales counselor, "How People Buy;" Jan. 31, F. H. Haviland, vice-president Connecticut General, "The Mind of the Salesman," and E. C. Hoy, manager Sun Life of Canada, "Opening the Life Insurance Discussion"; Feb. 7, C. O. Fischer, vice-president Massachusetts Mutual, "Leading the Prospect to Recognize the Situation," and B. H. Groves, manager Travelers, "Converting Interest Into Desire"; Feb. 14, J. O. Todd, H. S. Vail & Sons, "Proving the Case of Life Insurance," and J. F. Francis, manager Metropolitan, "Persuading the Prospect to Act;" Feb. 21, E. M. Schwemmer, manager Great-West Life, "The Four Major Problems in Property," and George Huth, general agent Provident Mutual, "Analysis of Types of Estate Property: Bonds," and L. H. Tracy, agency director New York Life, "Analysis of Types of Estate Property: Real Estate and Real Estate Securities."

Feb. 28, R. J. Lawthers, manager benefit department New England Mutual, "Analysis of Types of Estate Property: The Sole Proprietorship, Partnership Business Interests," and Paul W. Cook, general agent Mutual Benefit, "Analysis of Types of Estate Property: Close Corporation Stock"; March 7, Probate Judge J. F. O'Connell, Cook county, David J. A. Hayes, attorney, and N. M. Kahn, attorney, dramatization of "Distribution of the General Property in the Estate"; P. B. Hobbs, agency manager Equitable Society, "Distribution of Life Insurance Property," and R. D. Cameron, Continental Illinois National Bank, "Problems Involved in Estate Transfer"; March 14, J. H. Brennan, manager Fidelity Mutual, "The Fundamentals of Programming," and L. M. Buckley, supervisor New England Mutual, "Planning the Average Life Insurance Program"; March 28, E. R. Seese, division sales manager Metropolitan, "Underwriting Income with Social Security and Salary Savings," and C. J. Zimmerman, general agent, Connecticut Mutual, "The Advanced Underwriter Builds a Career"; March 21, S. T. Whately, vice-president Aetna Life, "Programming the Larger Estate," and F. J. Budinger, general agent Franklin Life, "Selling the Program."

Sims Manager at Pasadena

R. L. Sims has been appointed manager of the new branch of National Life & Accident at 16 North Marengo Ave., Pasadena, Cal. Mr. Sims entered insurance with the company at Indianapolis in 1929. He resigned as superintendent there to join the J. E. Walker office at Glendale, Cal., in January, 1937. He was appointed superintendent six months later.

Keating on Bank Cover Board

Edward C. Keating, assistant treasurer of the Wildey Savings Bank, Boston, has been elected treasurer of the Massachusetts Savings Bank Life Insurance Council, succeeding the late Nelson J. Bowers, former treasurer of the Arlington Five Cents Savings Bank.

The International Claim Association will hold its 1942 convention at the Chateau Frontenac, Quebec, Canada.

U. S. High Court Gives Decision on Deposit Issue Saves Depository Law

DES MOINES—The U. S. Supreme Court decision giving federal court jurisdiction in the American Life case, involving \$3,600,000 securities on deposit, was viewed by attorneys of the Iowa department as saving the state depository law.

The high court overruled an eighth federal circuit court decision which had held the federal court had no jurisdiction in the matter and turned the case over to Michigan state courts.

The federal district court in Des Moines had ruled that Commissioner Fischer of Iowa, who started the case, had jurisdiction over the securities deposited by the defunct American Life of Des Moines which was later merged with the now insolvent American Life of Detroit.

The circuit court decision would have knocked out the state depository law and virtually made it inoperative because it allowed no safe-guarding of domestic company reserves.

The supreme court decision was solely on the question of jurisdiction and directed further proceedings by the circuit court on the litigation to determine whether the Iowa commissioner is entitled to a lien on the assets and other merits of the decision handed down by the federal court in Des Moines.

Logan Leaves Neb. Department

LINCOLN, NEB.—John S. Logan, for seven years attorney for the Nebraska department, severed his connection at the end of the year. No successor will be named in the immediate future. Frank E. Landis, special assistant to Director Fraizer, has been doing part of the legal work, and he will be assisted by the director and by B. B. Gribble, bureau actuary, both of whom are lawyers.

Mr. Logan has been retained by insurance interests in the preparation of amendments to be offered to the insurance code, which is being written by a commission of lawyers, in connection with a complete revision of the statutes.

Iowa Agent Gets Jail Term

Earl Hines, insurance agent operating in Wisconsin and Iowa, is serving a 60-day jail sentence after pleading guilty to a charge of obtaining money under false pretenses. Hines was charged with collecting a premium on a policy written for National Union of Phoenix, Ariz., and failing to send in either the premium or application. The insurance company is not licensed to operate in Iowa. Hines already was serving a term in jail following an investigation by the state insurance department.

"Nylic Review" Resumes

New York Life has resume publication of "Nylic Review," which was suspended for the last five months during an experiment with a return to the weekly house organ which the company put out in the years before the monthly "Nylic Review" was introduced in 1933. As Vice-president L. Seton Lindsay noted in the leading article in the January issue of "Nylic Review," there will also be at least one issue each month of the "Bulletin," as the former weekly publication was titled. Resumption of "Nylic Review" was largely the result of the wishes of the field force, particularly the production club members. Stratford Corbett is editor and manager of "Nylic Review."

Century Educators Rally Held

The leading producers of Century Educators Life were brought into the home office in Fort Worth for a one-day business meeting and that night together with their wives and company officers, directors and other guests were enter-

tained at a dinner, floor show and dancing at the Colonial Country Club. The company has made a steady growth since its organization in 1938 and is looking forward to a good increase in 1942 under the direction of President W. J. Laidlaw and Agency Director Thomas French.

Budinger 1941 Leader

The F. J. Budinger agency of Chicago again led nationwide in new paid business all agencies of Franklin Life. It was also the 1940 leader. The agency showed a substantial increase over 1940.

Newark Agency Starts Clinic

The Newark agency of Union Central Life, of which Swift C. Barnes is general agent, has started a "monthly clinic." At the first session C. E. Brewer, Jr., assistant superintendent of

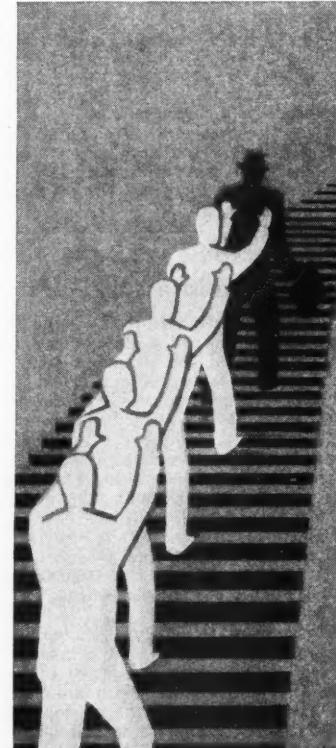
agencies of Mutual Benefit Life, spoke on "Fundamentals of Programming." A. V. Youngman, New York City, general agent of Mutual Benefit Life, will speak at the February meeting.

Honor Hord in Minneapolis

Lorin Hord, Minneapolis, was honored on completion of 10 years' service as New England Mutual Life general agent there, at a luncheon given by his agency. He has completed 40 years in the life insurance business. He started as a agent in Columbus, O., with Mutual Life of New York, later moving to Minneapolis as general agent of Home Life, a post he held for 15 years. He subsequently was Minneapolis general agent of Union Central until his appointment by New England Mutual in 1931. Mr. Hord was presented by his agent a considerable volume of new business.



How many people are pushing you up?



When we meet a man with the qualifications of a good insurance agent, we ask him that question, because a man's career must always be a cooperative undertaking. Unless other men in his organization are consciously pushing him forward and making continual efforts to speed his progress upward, he will labor under a heavy handicap.

Management in the Connecticut General organization enthusiastically accepts responsibility for training new men in the principles of successful insurance selling. Another important "success factor" for Connecticut General men is the fact that they are furnished with a complete line of personal insurance to sell, and that their efforts are continually supplemented with practical, well-planned sales aids. But perhaps most important is the fact that Connecticut General management takes a definite and continuing interest in each man's progress, and each agent has at his disposal tangible, continuing assistance in building a successful career for himself.

Connecticut General

LIFE INSURANCE COMPANY

Hartford, Connecticut

Life Insurance, Accident and Health Insurance, Salary Allotment Insurance and Annuities, All Forms of Group Insurance, and Group Annuities.



War Clause Decisions Analyzed

(CONTINUED FROM PAGE 3)

"You will understand that the expression 'face of the policy' used above does not refer to premium waiver or double indemnity benefits which contain specific limitations of their own."

"We believe you will find that the answers to many other questions which may be raised will be found in a careful reading of the clauses. We shall be glad to answer any questions of a general nature relating to the provisions about which any uncertainty may exist, as it is important that no incorrect information be given to the public. However, we should like to avoid refined hypothetical questions which, if they were to arise, would have to be answered in the light of the full details of the particular claim."

Protective Life has adopted the use of the war clause on all policies, male and female. Separate forms were prepared for use in Texas and elsewhere.

Massachusetts Mutual Clause

The Massachusetts Mutual Life war and aviation exclusion riders to be attached to all policies, regardless of age or sex of applicant, except retirement annuities and immediate annuities, limits the liability to premiums paid with 3 percent interest or reserve, if greater. Death outside the United States in armed service during war is excluded, or within six months after termination of service from wounds, injuries or disease contracted in service. There is a two-year travel clause applying to civilians, excluding death from result of war.

The amount of insurance will be limited in the case of members of any branch of the U. S. armed forces, including reservists, active or inactive, and in certain classes, especially young males, married or unmarried, likely to be subject to conscription under selective service act. Disability and accidental death benefit provisions will be considered in accordance with the current rules and limits, but not granted to members of any branch of the armed forces, including reservists, active or inactive; to married and single men already classified in 1-A or who, in the opinion of the company, would be so classified.

Reinstatements and changes of plan requiring evidence of insurability generally will be considered on the same basis as new insurance insofar as use of war and aviation riders is concerned. Change of a retirement annuity to life insurance under the privilege of change clause will require attachment of war rider to the changed policy. However, the rider will not be attached to any new policy issued in accordance with the conversion privilege of any term, term automatic life, special protection or family maintenance policy, if the original policy did not contain a war and aviation hazard rider.

Additional companies which announced they would attach a war clause to all new policies irrespective of age and sex are National Guardian, St. Louis Mutual, Michigan Life, Life & Casualty, Home State (on ordinary), Atlantic Life, Lincoln Liberty and Teachers Insurance & Annuity, Texas Life, Texas Prudential (on ordinary), United Fidelity, Western & Southern and Western Life.

Lamar Life has adopted a policy with regard to application of the war clause which was set forth by W. D. Owens, vice-president and secretary. His letter to the agents stated: "It will be the policy of the company to impose a war clause on every policy issued to an individual who in the opinion of the company has any prospect of becoming connected with the military or naval service or any of its branches." The action was effective immediately.

Union Central has a "status" war clause which is being applied to all new policies and is applicable both within the United States and abroad.

Union Central has a clause applicable to civilians which reads: "If, within two years of the date of issue of this

policy, the death of the insured occurs as a direct or indirect result of war or any act incident thereto, and the cause of death arose while the insured, whether serving with any naval, military or air forces or not, traveled or resided outside the geographical boundaries of the continental United States."

The usual exclusion of military and naval aviation hazard and training is included. The clause applies in all states except Minnesota, Nebraska, Illinois, Texas, Oklahoma and New York.

Union Central's supplementary rules set limits: \$25,000 on army, navy, marine corps, coast guard, all plans except term the same for reserves, active or inactive, national guard, R.O.T.C., and for aviation risks; \$5,000 for merchant marine, except decline in New York and Texas. A partial aviation clause will apply to officers and men in aviation branches of army, navy, marines, coast guard and national guard, including reserve officers, cadets and midshipmen, private pilots, student pilots and those taking C.A.A. flying course; a total aviation clause to commercial pilots, airline crews, mechanics, employees other than ticket agents and clerical who do not fly; airline executives, certain passengers.

The company will not insure persons intending to travel or reside outside the mainland of U. S. and Canada, except that in Mexico all plans except term will be considered, limit \$25,000, with extra premium and war clause.

Travelers Sees Low Cost Cover as Patriotic "Buy"

Travelers continues to emphasize to its agents the belief of the management that under today's conditions, low cost life insurance rather than investment forms should be sold. The patriotic course for the insurance salesman is to sell low cost policies, Travelers asserts, and to recommend the systematic purchase of defense bonds. The agents should encourage their clients to keep life insurance and savings programs separate for the duration of the war.

For men whose incomes are larger during the war emergency than they are likely to be after the war is over, the separation of life insurance and savings program seems highly advisable. If, in future years, their earnings drop, they can discontinue the savings part of their program without affecting their life insurance. Indirectly the sale of life insurance helps to finance the war effort because the insurance companies are investing in U. S. government bonds "so when you sell life insurance and strongly recommend defense bonds you are helping your country with both hands."

U. S. Life Pays Bonus

United States Life directors voted to pay all employees a 10 percent bonus on earned salary for 1941. In announcing the bonus to the company's personnel, Mansfield Freeman, president, expressed appreciation of employee cooperation in the interests of the company. He suggested that employees set up a reserve fund to meet the heavy tax obligations of the coming year.

Insurance in Tax Budget Scheme

Peoples-Pittsburgh Trust Co. is offering a financing plan to enable persons to make income tax payments on a monthly basis, and provides life insurance which will extinguish the debt of the taxpayer to the bank, in the event of his death.

Many persons are in need of a means of catching up with income tax payments, particularly those whose incomes fall in the brackets where tax increases are greatest, the bank believes.



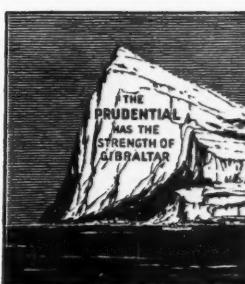
Gran'ma's All Right!

Our family reunions are still held at the old homestead. Grandmother keeps her place there, and will as long as she lives.

Years before he passed away, grandpa saw to that by insuring his life for enough to make her independent should he fail to survive.

Every month she receives a Prudential check for more than enough to gratify her simple needs.

The real purpose of an Agent's job is to see that mothers and daughters and grandmothers are adequately protected.



**The Prudential
Insurance Company of America**

Home Office, NEWARK, N. J.

EDITORIAL COMMENT

Life Insurance Sales Bureau

ONE of the life insurance organizations that has "gone to town" in the vernacular of the street is the Life Insurance Sales Research Bureau. This is brought to mind by the fact that Jan. 2 marked the 20th anniversary of its founding. Furthermore, John Marshall Holcombe completed 20 years as its chief operating officer.

Perhaps no organization has come into being in life insurance that has made so great a stride and been of so much practical use as this bureau. It has been manned with hard headed, thorough going men who have made a study uphill and down. It has crossed mountain ranges and scoured the valleys. It has looked into every nook and cranny of the agency field. The very fact that so many life insurance companies of the country belong to it and contribute to its financial support is proof positive that it is contributing much to agency

efficiency and profit by its activities.

The bureau took hold of the agency work when there was more or less uncertainty as to just what to do and how to do it. One of its features that has impressed those who look on is the fact that it does not attempt to do anything until it has made a comprehensive analysis and study of a situation.

Mr. Holcombe had the advantage of inheriting a life insurance background. His father, who was president of the Phoenix Mutual Life, was one of the outstanding figures of his day, a very sincere, upright man who had a vision of life insurance stewardship that is well worth emulating.

The Life Insurance Sales Research Bureau has given a very good account of itself during its two decades of continuously constructive and helpful service. It is going ahead every year with increased momentum.

Meeting the FHA's Competition

IN VIEW of the great popularity of monthly amortization residence loans insured by the FHA it would seem entirely logical if definite efforts were made at the next session of the New York legislature to permit life companies to invest in this type of loan on a more liberal basis even without the FHA insurance feature. As things stand now, a life company in New York or a New York domiciled company operating elsewhere, can invest only up to two-thirds of appraised valuation. This makes it difficult to compete with FHA-insured loans, which under a special statute of the New York legislature are permissible investments for life companies at the usual FHA limits. These may run as high as 90 percent of valuation on new construction.

The two-thirds of valuation law is based on the style of mortgage that was customary, though not universal, before the FHA started the trend toward amortized mortgages. In the old days a mortgage might continue for years with little if any reduction of principal. A loan based on two-thirds of valuation at the time it was made might be the equivalent of a much higher percentage by the time the loan was 10 or 12 years old. Hence the need of a very con-

servative basis at the start of the loan. The monthly amortization principle, on the other hand, recognizes that depreciation is a factor in residence values almost to the extent that it is with automobiles and that consequently it is safe to start out with a high percentage of valuation provided that the borrower makes regular payments on principal. Thus, there is always a safe margin for the mortgagor between the amount of the loan at any time and what he could presumably realize on the property if he were forced to foreclose.

While some companies have embraced the FHA loan idea there are others which feel that the one-half of one percent insurance fee which the FHA charges on the outstanding balance constitutes an added and needless burden on the mortgagor and is in effect a premium which the mortgagor has to pay because of the lending institution's implied inability to select good loans from poor ones. It is argued that if the permissible percentage of valuation were raised from two-thirds to, say, 75 percent as is the case in New Jersey, the companies in New York could offer competition to FHA loans which is difficult when loans are restricted to the present two-thirds of valuation.

Attending to One's Business

CLARIS ADAMS of Columbus, O., president Ohio State Life, in a message to its field men spoke of conversations he had

in New York City with Canadian life officials during the time the Association of Life Insurance Presidents was meet-

ing. One remark that impressed him particularly was made by an executive who said that he had discovered that a vast amount of time, energy and working ability was lost because people insisted on fighting over battles that were in the past. There would be a campaign by the Allies or the Axis powers resulting in a series of conflicts and many people seem to take comfort in reviewing the activities so far as they were able to get them, make criticisms, set forth what should have been done and what should not have been done.

This kind of conversation occupies a great deal of a working day. For instance, an agent visits a prospect and immediately the conversation starts about some military exploit that was publicized. The agent really forgot his mission and the prospect's time was consumed. Both found solace in conversation but they were not attending to business.

The executive said to Mr. Adams that this practice was more or less destructive to people because their minds centered

on events of the past which could not be reenacted. The opportunities of the present were overlooked and there was more or less depression of mind in this sort of talk. This executive would not spend valuable time in recounting the past, criticizing and suggesting what might have been done but on the other hand he was interested in the present and had an eye on the future.

He said to Mr. Adams that a person not engaged in a military or defense career could serve his country best by doing a better job than he had before in his special line. If an insurance man could be made a better insurance man at present he would be contributing more to his country than he could in attempting to analyze what he deemed mistakes of the government and the military people.

In our mind it was excellent advice. Our own work is important. If in these days of stress and turmoil we can maintain a calm, constructive spirit and make a better mousetrap than we had before it will be an achievement that is well worth while.

PERSONAL SIDE OF THE BUSINESS

William T. Earls, Cincinnati general agent for Connecticut Mutual Life, is serving as civilian defense supervisor for Cincinnati.

Mr. Earls has accepted the job on a \$1-a-year basis and will devote all of his time to it if necessary.

Rex B. Magee, advertising manager of Lamar Life, has been made executive officer of the air raid service, city civilian defense, in Jackson, Miss. He was a captain of infantry in the first world war.

Jesse A. Todd, general agent of Central Life of Iowa, has been elected marshal and Tom B. Reed, Great Southern Life, a director of the India Temple Shrine, Oklahoma City.

Frank P. Manly, head of the Hearststone Life of Indianapolis, has received word that his brother, R. E. Manly, 74, one of the wealthiest Americans in the Philippines, died in a Japanese concentration camp at Naga, in southern Luzon. He went to the islands as a soldier during the Spanish-American War, remained there and acquired large interests in rice lands, transportation companies and mines. He had been urged to leave some time ago but said he preferred to die in the islands.

Instead of holding its usual year-end party, the Leo Roethig agency of Metropolitan Life at Waterloo, Ia., converted the funds to purchase two cases of cigarettes for men in service.

Henry M. Powell of State Mutual, former Atlanta general agent, has been appointed civilian director for a portion of Fulton county (Atlanta) in the local defense setup. He will have charge of the military district lying in the northern strip of the county, in which section he resides.

J. Guy Smart, who has represented Massachusetts Mutual Life in Durham, N. H., for 23 years, was honored by

his associates and company officials with a dinner in Manchester, N. H., in recognition of the anniversary. E. Lloyd Mallon, assistant director of agencies, presented a service pin and desk set.

Fred S. Brynn of Montpelier, Vt., has been appointed by Governor Wills as director of tire rationing in Vermont. He will be given leave of absence from his work as agency supervisor of the National Life to carry on his new duties.

B. W. Ayres, general agent of State Mutual Life in Worcester, Mass., has been elected president of the Worcester Kiwanis Club.

R. L. Dobie, long district manager at Norfolk, Va., of Atlantic Life and big personal producer, has been named on a three-man alien board which will sit at Richmond to inquire into cases involving aliens of enemy countries.

H. W. Manning, general manager Great-West Life, has been elected a vice-president of the Canadian Chamber of Commerce.

Jay R. Benton, president Boston Mutual Life, has been elected president of the Vermont Association of Boston.

Henry W. Laffer, Northwestern Mutual general agent, was installed as president of the Wichita Kiwanis Club Jan. 2. He spoke on "The Citizen's Duties and Obligations During the War."

Wade Fetzer, Sr., president of W. A. Alexander & Co. of Chicago, general agents of Penn Mutual Life, is now recovering from a siege of pneumonia at his home in Hinsdale, Ill. He was stricken about three weeks ago and was very seriously ill. He was placed under an oxygen tent for a time. He is still confined to bed and reports of his condition are most favorable. He will probably go south, as soon as he is able to do so, before returning to his office.

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"I don't mind your secretary taking notes for you, Janson, but at least, don't be a disturbing element."

DEATHS

IN U. S. WAR SERVICE

A. B. Colton, who retired two months ago as Kansas City general agent of Midland Life, died from injuries received when struck by a motor car.

Michael V. Bresnahan, 70, retired manager of Metropolitan Life in Pittsburgh, died in St. Petersburg, Fla. He was with Metropolitan 40 years.

Frank P. Slack, Jr., of Huntington, W. Va., son of Frank P. Slack, mine payroll manager of Inter-Ocean Casualty and Shenandoah Life, died New Year's day from injuries received in an automobile accident. President J. W. Scherr of Inter-Ocean attended the services.

Floyd E. Williamson, 57, vice-president and one of the founders of Standard Life of Indianapolis, died at his home there. At one time he was state manager of Provident Life & Accident. He was elected state auditor in 1930 and reelected in 1932. He was in school work for many years.

H. L. Orlopp, for 25 years a leading producer of Penn Mutual Life in Indianapolis, died there. He had been a resident of Indianapolis nearly all his life. H. W. Fieber of the Fieber & Riley local agency, Indianapolis, is a son-in-law.

Otto G. Rieck, 71, superintendent of supplies of Northwestern Mutual Life until his retirement last June due to ill health, after 35 years with the home office, died at his home in Milwaukee.

Dr. Michael R. Barrett, associate medical director of Western & Southern, died after an eight weeks struggle with a streptococci infection of the brain during which time he underwent several operations. He would have been 35 years old Jan. 2 and only six months ago married the former Miss Mary V. Geoghegan, daughter of Thomas M. Geoghegan, vice-president of Perkins and Geoghegan, Inc., prominent Cincinnati fire and casualty agency. Dr. Barrett was a well known athlete during his college days and had been associated with Western & Southern since 1939.

Charles Willard Smith, 89, father of George Willard Smith, president of New England Mutual Life, died at his home in Woburn, Mass., Monday, in which town he had lived for 83 years. He was

Tom Edwards of the Provident Life & Accident actuarial department, who is a first lieutenant in the reserve corps, has been called to active duty at Fort Oglethorpe, Ga., and is expected to be transferred to Newfoundland.

Sons of two executives of Lamar Life are military officers. Lieut P. K. Lutken, Jr., coast artillery, is the son of President P. K. Lutken and Lieut. Erskine W. Wells, marine corps, is the son of Maj. W. Calvin Wells, vice-president and general counsel of Lamar Life.

Don A. Kirchner, Jr., acting district agent of Pacific Mutual Life, in Topeka, Kan., since the death of his father last summer, has been called to report to the Topeka selective service board Jan. 15. General Agent W. E. Moore of Wichita spent this week in Topeka reorganizing the district office there.

Thomas J. Mohan, whose father is Vice-president T. J. Mohan of Eureka-Maryland Assurance, has been promoted to a sergeant. He is located at Ft. Logan, Colo., with the air corps.

a native of Charlestown and for many years head of a department store in Woburn. He was a descendant of Richard Warren, Mayflower passenger. He left three daughters besides the one son.

Harold Bishop, 53, superintendent of premium collections of Phoenix Mutual Life, died Jan. 5 at Hartford Hospital. He had been with the company 34 years.

Dr. Charles H. Willits, 85, who retired in 1940 as medical director of Provident Mutual Life, died at Miami, Fla. He graduated from the University of Pennsylvania in 1877 and from the medical school in 1879. In 1902 he became medical director of Provident Mutual.

Industrial L. & H. Counsel

J. L. Duckworth, for several years a member of the law firm of McElreath, Scott, Duckworth & Riley, has withdrawn from that firm to become full-time counsel for the Industrial Life & Health of Atlanta. Mr. Duckworth is well known as an insurance attorney in the south.

NEWS OF THE COMPANIES

Travelers Income Biggest Ever

The premium income and total income of the Travelers group companies in 1941 exceeded the record of any previous year. The total income was \$254,739,000, a gain of \$5,279,000 over the 1940 record and the total premium income was \$208,165,000, which was about \$4,000,000 higher.

The life insurance premiums in 1940 amounted to \$107,575,000 as compared with \$116,005,000 or a decrease of 7.27 percent. New insurance written was sharply higher. Total new regular and group life insurance issued was \$489,500,000 and there was added more than \$574,000,000 of group insurance under contracts in force in previous years, or a total of \$1,063,500,000 as compared with \$718,881,083 in 1940. The additions under group contracts in 1940 amounted to \$427,585,741, so that the record in 1941 was about \$150,000,000 greater.

Accident and health premiums in 1941 totaled \$24,284,000 as compared with \$19,650,000, or an increase of 23.58 per-

cent. In point of percentage increase, accident and health was the No. 1 department of Travelers last year.

Provident L. & A. Praised in Examination Report

Assets of Provident Life & Accident at June 30, 1941, amounted to \$15,712,006 and capital, surplus and contingency reserve amounted to \$4,024,479, according to the report of a convention examination in which participated Tennessee, Arkansas, Michigan, Ohio and Washington. The report states that assets had been conservatively valued by the company and liabilities provided for adequately. All obligations are met promptly and the management has ably safeguarded the interests of its policyholders.

During 1940, a total of 154,618 claim payments were made to 110,946 claimants. On all claims incurred in that year only 23 have resulted in litigation.

Mortgage loan account totaled \$4,458,141, almost entirely on city properties and only one loan in the amount of \$1,500 was past due as to principal and

Welcome
to KANSAS CITY
The Heart of America

Winter
Convention

NATIONAL ASSOCIATION
Accident and Health
Underwriters

JANUARY
26
27
28

WELCOME ALSO TO VISIT
The Home of Complete Protection
BUSINESS MEN'S ASSURANCE CO.

W. T. GRANT
President

J. C. HIGDON
Vice-President In Charge of Sales

in this case the borrower is deceased and Provident has an assignment of a \$5,000 life insurance policy. Two loans were delinquent as to interest, both less than 30 days, and the amount of such interest was only \$78.35.

The book value of bonds was \$5,558,482 and the market value as of June 30 exceeded book by \$251,931. No bonds were in default.

Book value of real estate is \$747,190 including the home office building which is valued at \$604,557. Provident does not capitalize past due interest or other expenses upon foreclosure of real estate. The cost of the home office building has been depreciated 2 percent annually since it was erected in 1924.

Golden State Changes Status

LOS ANGELES—Golden State Mutual Life has been licensed as a legal reserve mutual life and disability company. It has been operating as a "Chapter 9" assessment company and was one of three companies of that class which were given a clean slate last year by the insurance department.

The company, owned and operated by and for Negroes, is licensed in California and in Illinois and maintains Illinois headquarters in Chicago. It plans to enter Texas as soon as the necessary formalities can be complied with.

Life of Virginia Bonus

Life of Virginia paid a cost of living bonus to all home office employees based on earnings during the last six months of 1941 at 6 percent of the first \$1,000 of annual salary plus 3 percent on annual salary above \$1,000, with a limit on salaries of the executives. A similar payment will be made in March.

Ohio National Quits Okla.

Ohio National Life has withdrawn from Oklahoma. It has more than \$5,000,000 business in force in Oklahoma and has been operating there about 15 years. For the last four years James E. White has been general agent. He will maintain the office in the Oklahoma City for a month or two before closing permanently. His plans for the future have not been announced.

The company gave no reason for its withdrawal in its letter to Commissioner Read. The doubling of the premium tax in Oklahoma has been assigned as the reason for other withdrawals since it became effective.

COMPANY MEN

American Mutual Promotes Two Home Office Men

Bert R. Merrill, Jr., who has served as agency secretary of American Mutual Life, since last March, has been promoted to agency supervisor, and Kenneth C. Klein, formerly traveling auditor, has been named agency secretary to succeed Mr. Merrill.

Mr. Merrill began as an agent in Des Moines for Massachusetts Mutual Life in 1934, later becoming agency supervisor for that company. In 1939 he was named the Des Moines general agent for Mutual Trust Life, continuing in that capacity until he joined American Mutual.

Mr. Klein has been with American Mutual Life since 1923. His first three years were spent in the conservation and collection departments. He became a traveling auditor in 1926. In addition to his new duties as agency secretary, Mr. Klein will also direct the newly organized conservation section.

Prudential Mortgage Changes

NEWARK—A number of supervisory changes have been made in the mortgage loan department branch offices of Prudential. Ervin Jackson, manager at Birmingham, Ala., will become manager

of the northern New Jersey branch with headquarters in Newark. His former duties at Birmingham will be assumed by Hugh Abernethy, former city loan manager at Kansas City.

C. J. Faherty, assistant manager at Newark, has been made city loan manager at Kansas City.

At Newark Ralph C. Driscoll, former property manager, becomes assistant manager in charge of mortgage production.

E. R. McKinley, formerly associate manager, has been named manager at Cleveland, and Graham MacMillan, former mortgage loan appraiser at Cleveland, has been promoted to assistant manager.

Two New Sun Life Directors

George W. Spinney and Harold Crabtree have been elected directors of Sun Life of Canada. Mr. Spinney is general manager of the Bank of Montreal. Mr. Crabtree is president of the Howard Smith Paper Mills and also president of the Allied War Supplies Company.

54-Year Veteran Retires

Franklin H. Searle, assistant secretary of Connecticut Mutual Life, has retired from active service. He had been with Connecticut Mutual 54 years and had been assistant secretary since 1920.

Mr. Searle received his early training in the actuarial department and was subsequently transferred to the renewal and cashiers departments. In 1913 he became head of the accounting department, a position he has held since that time. He was appointed assistant secretary in 1920.

During his career Mr. Searle saw the company's assets grow from \$57,447,440 to more than \$400,000,000 and its insurance in force rise from \$151,361,913 to well over \$1,000,000,000.

Mr. Searle was presented with a scroll signed by all members of his department and other company employees who at one time worked under his supervision. The personnel of the accounting department presented him with a golf bag.

Four Executives Appointed

North American Life of Canada has named W. J. Burgar, comptroller; E. D. Gibb, assistant actuary; D. T. Weir, assistant secretary; and John S. Kilgour, assistant secretary.

CHICAGO

ENGELHARD'S LIFE CONNECTION

Engelhard & Co. has been appointed for U. S. Life in Chicago. It will handle the complete A. & H. and life lines of U. S. Life. The department is managed by Charles Revenaugh who was formerly manager of the A. & H. department of Maryland Casualty. The partners in the agency are Willard and Eugene Engelhard.

VINCENT COFFIN IN CHICAGO

Vincent B. Coffin, vice-president of Connecticut Mutual Life, has returned to the home office after conducting meetings at each of the three Chicago agencies. He had a meeting with the Hill agency last Saturday, with the L. J. Fohr agency, Monday, and the C. J. Zimmerman agency, Tuesday.

CLANCY IS DISTRICT MANAGER

Ray J. Clancy has been appointed district manager by Edmund E. Lamb, general agent of Columbian National Life in Chicago. Mr. Clancy will maintain his headquarters in the Lamb agency.

He has been connected with that office four years and has had an average annual production in that time of over \$200,000. Previously he was an agent of Travelers at Chicago and later for

a time managed the life department of Starkweather & Shepley, general insurance agency of Chicago. In addition to his production work Mr. Clancy will have supervisory duties.

The Lamb agency had a successful year in 1941, with an increase of about 48 percent in paid business in the life department and 22 percent in the accident and health division.

States. He was voted Oklahoma City's "most useful citizen" in 1931.

Mr. Bartle won the "distinguished citizen" designation in 1940. He has long been a leader in banking and business circles in this area, and for a number of years has been scout chief of the Boy Scouts in Kansas City.

A. & H. War Program in N. Y.

NEW YORK—C. F. Demsey, Travellers, president of the Accident & Health Club of New York, announces that the club will participate in a definite national defense program. The new officers will be inducted at the meeting Jan. 29. J. M. Boyle, Continental Casualty, treasurer, has volunteered for service in the U. S. Army and is resigning as of Jan. 31. He is succeeded as treasurer by W. F. McCarthy, Equitable Society, who has been assistant treasurer.

Other officers are: F. G. Cloos, Metropolitan Life, vice-president in charge of arrangements; E. E. Bradley, Globe Indemnity, vice-president in charge of education; C. F. McLaughlin, U. S. Casualty, vice-president in charge of membership; N. E. Walter, Connecticut General, secretary; Julius Ullman, Perini & Son, publicity director.

Donate Blood to Red Cross

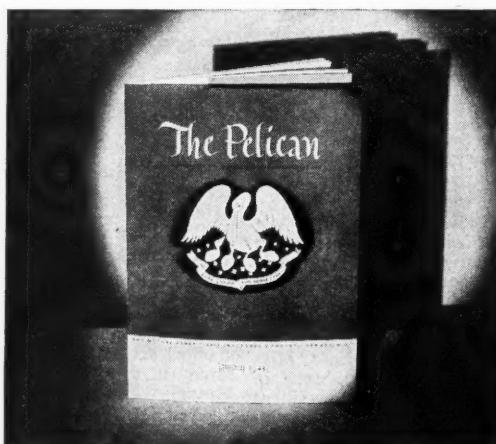
John Hancock Mutual Life agents from two Detroit offices, No. 1 and No. 4, set up an emergency hospital in their agency room for the purpose of donating blood to the American Red Cross. Fifty agents were accepted as donors, under the supervision of a doctor and 12 Red Cross nurses.

Mutual Benefit

fieldmen like THE PELICAN, the Company's monthly publication to the field. THE PELICAN presents currently useful sales information and interesting news from the agencies.

It derives its strength from the leading fieldmen of the Company and carries their contributions to every Mutual Benefit representative.

In two successive years, 1940 and 1941, THE PELICAN has been awarded highest honors by the Life Insurance Advertisers Association • THE MUTUAL BENEFIT LIFE INSURANCE COMPANY • ORGANIZED 1845



HOME OFFICE: NEWARK, NEW JERSEY

LIFE SALES MEETINGS

Quality Business Stressed at Parley of Great Southern

SAN ANTONIO—Great Southern Life agents from central and southwest Texas attended a regional conference here, the second of a series of meetings. The first was held in Dallas and the others are being held in Oklahoma City, Houston and Baton Rouge.

Jesse N. Fletcher, in charge of agencies in the San Antonio area, was chairman. President E. P. Greenwood, Ford C. Albritton, vice-president and manager of agencies; Sam R. Hay, Jr., manager of sales training department, and H. B. Bollfrass, assistant agency secretary, spoke.

Better selection and training of agents, better selection of prospects and more careful selection of sales presentations were urged.

War Now a Fact to Face

President Greenwood pointed out that the disturbing speculation over the entrance of the United States into the war is now over. War is now a fact that all must face. Company officials are giving careful consideration to the problems which now face life insurance companies with regard to young men either in or entering the military or naval services. The age group that has been drawn into the army and navy is not the age group which buys a large volume of life insurance. This group usually buys small policies and the persistency is lower than average.

The agent is the key to all selection, since the medical department can only pass on cases submitted through the agent and the size of policy issued depends upon the type of prospect the agent has selected, Mr. Greenwood pointed out. He emphasized the need for careful selection. By selling to prospects who buy policies of larger amounts and with a higher rate of persistency, the agent can increase his renewal income.

Splendid Results in 1941

Mr. Greenwood reviewed the Great Southern's progress during 1941. Sales gained over \$3,500,000, insurance in force was increased by \$6,500,000. Collections and renewals are better. December, 1941, was the best December in the company's 33 years.

The agent who permits war condition to frighten him will fail but the man who faces things as they are and works, will write more business than he has in the past, Mr. Greenwood stated.

Jesse N. Fletcher, San Antonio supervisor, discussed the "Market for 1942." The successful agent will be the one who selects quality prospects and as a result writes quality business, he said.

Quality Business Stressed

Ed Nolen, Austin, pointed out that quality business comes from quality buyers. To contact this group the agents must conduct his own business and personal affairs on a basis which will meet quality buyers' approval.

Mr. Hay urged agents to study to improve their work methods and sales technique. He stressed the importance of an organized presentation to guide the agent in sensing and in meeting situations.

H. B. Hackleman and Frank North of Corpus Christi gave a sales demonstration on the "Self Planned Estate."

Mr. Bollfrass outlined points which an agent should check to determine whether he has an adequate sales presentation: regular practice periods, a plan for work, regular study periods and a sound personal budget.

Mr. Albritton urged that agents strive to secure prospects among the groups

which will buy policies averaging in size \$2,500 to \$10,000. Within this group, he indicated lie the policyholders which the company desires most, although he warned against overlooking any good business.

In considering the question of life insurance as an investment and the selling of defense bonds, Mr. Albritton pointed out that life insurance men are cooperating in selling bonds and thus creating a restraint on inflation through thrift. However, life insurance is also an aid in preventing inflation and may mature at any time while the bonds must wait 10 years. This sale of life insurance, he considered as a cushion against inflation and as an aid to the maturing of defense bonds.

Life insurance men can prove themselves loyal and patriotic Americans by devoting their time to their own work so that those in need of their guidance in solving problems may be served and that those dependent upon them may profit.

Franklin Life Conclave Is Staged in Mexico

The Southern agents of the Franklin Life of Springfield, Ill., held their agency meeting at Monterrey, Mex., the early part of this week. President C. E. Becker and Mrs. Becker and a party



CHARLES E. BECKER

of guests went to Mexico City for the New Year and returned to Monterrey for the convention. W. J. Dugger, vice-president in charge of southern territory, and W. J. Hiller, vice-president and underwriting manager, F. J. O'Brien, director of sales promotion, Paul Becker, agency secretary, and James Abels, conservation director, were present from the home office. There were about 150 in the convention group and there was a stop at San Antonio on the way down.

The Franklin Life people spent two days in Monterrey and then returned to San Antonio Wednesday where a luncheon was held which was attended by a number of notables from San Antonio. The convention party spent the evening at Shadowland. Thursday was devoted to a special business session.

Vice-president Johnson on Schnell Agency's Program

Eric G. Johnson, vice-president of Penn Mutual, addressed the annual meeting of the F. A. Schnell agency of that company in Peoria, Ill. He laid emphasis on the organization perfected by life underwriters' associations and the field staffs of the companies to assist the government by selling a vast amount of defense bonds. The war is stimu-

lating the life insurance business, he said.

Mr. Johnson especially recognized six agents who qualified for the Quarter Million Dollar Club of Penn Mutual and will attend the convention at Miami Beach early this year. These are F. R. Luthy, J. R. VonAchen, both of Peoria; W. S. Porter, Champaign; A. F. Priebe, Rockford; K. L. Keil, Springfield, and F. H. Newell, Decatur.

Most of the program was contributed by the agents. Several told their plans for this year. Mr. Porter conducted an "Information Please." Mr. Schnell was toastmaster at a banquet at which Vice-president Johnson made his main address. About 40 associates of the agency from down-state Illinois attended. The Schnell agency has jurisdiction over the entire state outside of Chicago.

each class. The meetings are held at 85 John street. Each student attends class for one two-hour session each week. Eleven physicians are acting as instructors, most of them being connected with insurance offices.

GARDINER HAS BIG YEAR

The Harry Gardiner agency of John Hancock Mutual Life in New York City had a total paid production for the year of \$23,842,000. This was made up of \$7,868,000 ordinary, \$4,907,000 annuity credits, and \$11,067,000 group insurance. Premiums on new business for the year amounted to more than \$4,000,000. The gain in new ordinary business paid for was \$2,142,000.

Protect Ind. Service Men's Licenses

Life agents in Indiana, called to military service, will have their licenses restored on their return without an additional fee or other certification, Commissioner Viehmann has announced. The department will classify salesmen in the service as inactive. At the conclusion of their service, or in not more than six months thereafter, on proper notification by the company the license will be restored until the beginning of the next licensing year.

NEW YORK

FIRST AID CLASSES START

Under the sponsorship of the Insurance Society of New York, 10 classes in first aid commenced this week. Standard instruction will be given for 10 weeks in preparation for American Red Cross certification. About 40 students are in



OUR PRODUCTION IS "UP", TOO

Minnesota Mutual's paid production for 1941 to date is 121% compared with the average of the past five years. The outlook for '42 is still better. Fitting perfectly into this picture is the Minnesota Mutual Payroll-Deduction Plan, of mutual benefit to employer, employee and agent. Yet this is only one advantage; others enjoyed by our field force include:

1. A liberal agency contract
2. A plan for financing your agency
3. Accounting methods to guide you
4. Proven plans for finding—training agents
5. A liberal financing plan for your agents
6. A unique supervisory system
7. Organized Selling Plan
8. Unusually effective selling equipment
9. Policies for every purpose: Regular — Family — Juvenile — Women — Group — Payroll — Savings, Social Security, etc.
10. Low monthly premiums

A \$250,000,000 Mutual Company, 61 years old, with an understanding, cooperative Home Office

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

Saint Paul, Minnesota

NEWS ABOUT LIFE POLICIES

By JOHN H. RADER

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and March respectively. PRICE \$5.00 and \$2.50 respectively.

Prudential Makes Second Cut in 1942 Dividends

Taking a conservative view of the effect of war on market values and increased claims, Prudential has deemed it wise to make a further reduction in dividends payable from March 1 through Dec. 31. A slight reduction was announced in November affecting policies with anniversaries in January and February.

This new schedule is an approximate 17 percent reduction from that in effect during 1941, age and duration of each policy determining its share in the surplus distribution.

Life & Casualty Adopts New Ordinary Mortality Table

Life & Casualty of Nashville has adopted the American men mortality table with the New Jersey standard of modification at 3 percent for its ordinary department. Industrial forms, in the main, remain unchanged. New rates follow:

Premium Rates Per \$1,000

Age	\$5,000 Endowment					
	End. 20 Spec.	Spec. down.	Ann. Pay	Ord.	Year End.	Age 65
	\$	\$	\$	\$	\$	\$
15	13.01	20.93	12.43	....	91.35	15.27
16	13.31	21.33	12.67	....	94.10	15.69
17	13.63	21.74	12.93	....	96.95	16.13
18	13.95	22.15	13.20	....	99.95	16.59
19	14.30	22.57	13.48	....	103.15	17.07
20	14.65	23.00	13.77	8.08	106.45	17.57
21	15.03	23.44	14.08	8.13	109.95	18.10
22	15.40	23.89	14.41	8.19	113.60	18.65
23	15.80	24.33	14.75	8.23	117.45	19.23
24	16.22	24.83	15.10	8.28	121.55	19.84
25	16.67	25.32	15.48	8.32	125.85	20.49
26	17.13	25.82	15.87	8.38	130.35	21.18
27	17.62	26.35	16.26	8.44	135.05	21.91
28	18.13	26.90	16.73	8.50	140.05	22.69
29	18.67	27.47	17.19	8.59	145.40	23.51
30	19.24	28.06	17.68	8.71	151.10	24.40
31	19.85	28.68	18.19	8.85	157.20	25.35
32	20.49	29.34	18.73	9.00	163.65	26.36
33	21.17	30.01	19.30	9.22	170.65	27.44
34	21.88	30.72	19.91	9.47	178.10	28.59
35	22.64	31.46	20.55	9.75	186.05	29.84
36	23.44	32.23	21.22	10.07	194.65	31.17
37	24.29	33.04	21.94	10.44	203.90	32.61
38	25.17	33.88	22.70	10.87	213.90	34.16
39	26.12	34.76	23.50	11.34	224.65	35.75
40	27.12	35.67	24.37	11.38	236.35	37.51
41	28.17	36.63	25.39	12.48	249.05	39.39
42	29.28	37.64	26.46	13.14	262.85	41.44
43	30.47	38.68	27.59	13.88	277.95	43.68
44	31.71	39.78	28.78	14.69	294.50	46.13
45	33.03	40.93	30.05	15.58	312.70	48.80
46	34.43	42.14	31.39	16.57	335.65	52.31
47	35.89	43.40	32.80	17.66	358.40	55.64
48	37.47	44.74	34.29	18.86	383.80	59.35
49	39.12	46.14	35.87	20.16	412.35	63.51
50	40.87	47.61	37.55	21.58	444.65	68.19
51	51.41	56.39	47.51	....	....	....
60	65.79	68.30	60.87	....	....	....

Atlantic Life Takes Steps to Meet Interest Situation

Atlantic Life has put into effect changes in rates and rules, prompted by the investment situation. A few days advance notice was given agents, not with the idea of encouraging the sale of the policy plans affected but because the management felt the agents were entitled to know the facts so that they would not be placed in an embarrassing position with prospects with whom they had already discussed additional insurance.

The guaranteed retirement income and retirement income endowment rates were increased and at the same time the cash value at maturity is increased.

Atlantic Life will not issue retirement income endowments or guaranteed retirement income to mature prior to age 60. Neither will Atlantic Life issue to mature in less than 15 years any endow-

ment, retirement income endowment or guaranteed retirement income.

The minimum amount issued on the 20-payment life non-par plan will be \$2,500 and a new plan to be sold for amounts as small as \$1,000, 20-payment endowment at age 85 non-par will be introduced.

The minimum amount issued on the initial term plan will be increased to \$2,500 but on five, 10, 15 and 20-year terms it will be reduced to \$2,500.

The new guaranteed retirement income rates follow:

Annual Premiums for \$10 Monthly Income—No Additional Benefits

Age	At Age 65		At Age 60		
	Male	Female	Issue	Male	Female
11.94	\$13.34	10	\$16.10	\$17.93	
14.41	16.10	15	19.58	21.82	
17.53	19.58	20	24.08	26.83	
21.56	24.08	25	30.03	33.45	
26.88	30.03	30	38.16	42.52	
34.17	38.16	35	49.80	55.48	
44.58	49.80	40	67.57	75.28	
60.49	67.57	45	97.62	108.75	
87.39	97.62	50	....	....

Mutual of Canada Changes

Effective Jan. 1, incomes under the participating single premium elective retirement annuity policy introduced

last February by Mutual Assurance of Canada have been reduced due to a change in the rate of interest used in accumulating the cash values. Prior to maturity, the death benefit of this contract is the premium paid or the cash value, whichever is greater. Incomes per \$1,000 single premium are shown below.

Age	Income at 55		Income at 60		Income at 65	
	Male	Female	Male	Female	Male	Female
20	\$11.92	10.73	15.10	13.51	19.55	17.28
30	9.31	8.39	11.80	10.55	15.04	13.50
40	7.28	6.55	9.22	8.25	11.75	10.55
45	6.43	5.79	8.15	7.29	10.38	9.32
50	5.69	5.12	7.20	6.44	9.18	8.24
55	....	6.37	7.50	8.11	7.28	6.44
60	....	....	....	7.17	6.44	....

New Midwest Life Rate Book Shows Increases, New Forms

Midwest Life has issued a new rate book. Premium rates are increased while cash values remain unchanged. The retirement income endowment form is now on a non-participating basis with the word "retirement" dropped from the name. The participating ordinary life policy has not been included in the new rate book as well as some of the less popular non-participating forms.

A double endowment at age 55 policy has been added, providing \$1,000 insurance to such time as the cash value exceeds \$1,000; at age 55 it matures for \$2,000. A family unit contract, insuring the entire family for a period of 19 years, has also been added. Conversion to a

permanent form of insurance can be made within 14 years provided the insured is under age 60.

New rates at quinquennial ages follow:

Premium Rates Per \$6,000						
Pref.	Inc.	10	Risk End.	20	Semi.	End.
Age	\$	\$	\$	\$	\$	\$
15	12.54	14.00	21.26	16.12	19.34	....
20	13.95	15.56	23.70	13.42	26.20	20.20
25	15.86	17.46	26.00	14.96	26.72	20.85
30	18.28	19.96	28.68	17.02	32.22	21.80
35	21.48	23.32	32.00	19.84	33.84	24.40
40	25.72	27.76	36.14	23.80	51.29	38.95
45	31.34	33.64	41.32	29.76	68.02	54.00
50	35.77	41.44	47.94	39.34	94.88	77.20
55	41.86	46.64	51.94	46.64	....	....
60	46.86	51.94	56.53	52.53	....	....

New Annuity-Endowment Contract for United L. & A.

United Life & Accident has introduced a new endowment-annuity contract to replace its old retirement income form. The new policy has more liberal terms and the privilege to pay premiums on a monthly basis.

New Settlement Option Basis

A more conservative basis for settlement options has been incorporated in new policies, interest assumption being reduced from 3½ to 3 percent. Where policy proceeds are left with the company subject to withdrawal, interest of 2½ percent is guaranteed. A joint and two-thirds survivorship option has been added. Premiums not due at death are not deductible from the face amount of

cumulations and on policy proceeds has been set at 3.5 percent in contrast to 3.75 percent paid in 1941.

A modified two-whole life policy is now being offered with a lower premium for the first two years. Dividends be-

gin end of the second year. Minimum policy \$5,000. Rates at age 25 are, \$15.38 first two years, \$20.61 thereafter; age 35, \$21.26 and \$26.91, respectively; age 45, \$31.46 and \$37.81.

The new schedule is shown below.

Bankers Life, Ia.

1942 NET COST—NET PAYMENTS Illustration—Based on Jan. 1, Dividend Scale

Ages	1942 NET COST—NET PAYMENTS											
	20	25	30	35	40	45	50	55	60	65	70	75
1	14.83	16.71	19.34	22.85	27.43	33.51	41.68	52.99	61.97	72.60	82.87	92.00
2	14.69	16.54	19.24	22.69	27.28	33.27	41.41	52.68	61.87	72.44	82.71	92.00
3	14.54	16.38	19.13	22.54	27.12	33.04	41.13	52.37	61.56	71.92	82.04	91.90
4	14.40	16.26	18.99	22.42	26.95	32.83	40.43	51.66	60.89	71.12	81.34	91.22
5	14.26	16.12	18.78									

LIFE AGENCY CHANGES

McCarthy General Agent at South Bend, Ind.

Thomas E. McCarthy, district manager of the Edmund E. Lamb general agency of Columbian National Life in Chicago, has been appointed general agent by that company in South Bend, Ind., and has taken up his residence there. He succeeded to the agency formerly conducted for many years by Louis J. Rosenberg, who died about four years ago. Since then Zirkle Blair has been in charge of the agency. Mr. Blair has gone to Boston where he continues to represent Columbian National.

Mr. McCarthy has been with the Lamb agency for 11 years ever since it was opened. Previously he was an employee in the city hall at Chicago. His production in the Lamb agency for the last four years has averaged more than \$250,000 annually.

Sam McGaw to Union Central

B. W. Arnold, Nashville manager of Union Central Life, has appointed Sam M. McGaw as associate manager. Mr. McGaw, who is president of the Nashville Association of Life Underwriters, has been with Connecticut Mutual.

Hunken Becomes Partner in Zimmerman Agency



HENRY C. HUNKEN

Henry C. Hunken, associate general agent of the C. J. Zimmerman general agency of Connecticut Mutual Life in Chicago for the last 18 months, has been made a full partner with Mr. Zimmerman. The agency retains its identity as the C. J. Zimmerman agency.

Mr. Hunken entered the life insurance business with Mr. Zimmerman in 1929 when the latter was supervisor of the Fraser agency in New York. In 1933, while Mr. Zimmerman was general agent at Newark, Mr. Hunken became his brokerage manager. Mr. Hunken was appointed general agent by Connecticut Mutual at Springfield, Mass., in 1936. In August, 1940, after W. H. Siegmund left Mr. Zimmerman as assistant to become general agent of Connecticut Mutual at Los Angeles, Mr. Hunken gave up his general agency and rejoined Mr. Zimmerman as associate general agent and brokerage manager.

He will continue to direct the brokerage department, in addition to assisting Mr. Zimmerman in recruiting and training full-time agents.

At Springfield, Mass., Mr. Hunken was past president of the General Agents & Managers Association and was first vice-president of the Springfield Association of Life Underwriters.

Heil Retires in Louisville; E. A. Trask, Jr., Is Successor

John H. Heil, general agent of Bankers Life of Des Moines in Louisville, since 1919, retired as general agent, on his 70th birthday. The announcement was made at a luncheon arranged in his honor by the office force and agents in Louisville and from over the state.

Edward A. Trask, Jr., of Huntington, W. Va., who succeeded Mr. Heil Jan. 1, was introduced to the organization.

Superintendent of Agencies M. E. Lewis represented the home office. Mr. Trask, who has been one of the outstanding members of the P. M. Haynes agency at Huntington, entered life insurance with Bankers Life in 1930, after several years in the automobile and electric appliance fields. He has qualified for the President's Premier Club in five of the past six years and was one of the vice-presidents of that club last year.

Mr. Heil has been with Bankers Life for 25 years and has been an important factor in the development of the company's business in his state. He started as a salesman in the Chicago agency in 1916 and a little over two years later was appointed manager in Louisville.

Bankers Life Los Angeles Manager Has Retired

J. G. Butterbaugh, Los Angeles manager of Bankers Life of Des Moines, has resigned because of ill health. He completed 27 years with Bankers Life last August. He started in 1914 in Albuquerque, N. M. For the next 18 years, most of which were spent in Indiana, he ranked as one of the company's leading producers, winning frequent membership in the old Gold Medal Club and the President's Premier Club.

He was appointed manager in Columbus, O., in 1930 and a year later became assistant superintendent of agencies. Following a year in that position, in which he worked closely with agencies in the east, he was engaged in home office agency work. He went to Los Angeles in 1935 to take over direction of that agency and was appointed agency manager in 1936.

Metropolitan Transfers Culpepper to Savannah

Milton O. Culpepper, formerly manager at Staunton, Va., for Metropolitan Life, has been transferred to Savannah, Ga. He succeeds M. S. Herndon, retired. Mr. Culpepper joined Metropolitan in 1925 at Portsmouth, Va. In 1931 he was appointed manager at Gastonia, N. C., and then Staunton.

T. H. Shay Succeeds Cawley

SAN FRANCISCO—T. Harold Shay has been appointed district manager here for John Hancock Mutual, succeeding Anthony J. Cawley, who was recently advanced to Pacific Coast regional district manager. Mr. Shay has been assistant manager of the Huntington Park district for 12 years.

Holder Made District Manager

John D. Holder of Sparta, Tenn., has been appointed district manager by Lamar Life. Mr. Holder began his life insurance career with Lamar but for the past few years has been with American United.

Sibul Indiana General Agent

Melvin R. Sibul, well known golf professional, who has made an enviable record for personal production for the Kentucky Home Mutual Life in Cincinnati for the past six months, has been appointed general agent for Indiana with headquarters at 607 Merchants Bank Building in Indianapolis.

Mr. Sibul has especial aptitude as a supervisor and teacher and will train new men as well as give time to personal production.

Carter Is Springfield Manager

Robert F. Carter has been appointed agency manager of Ohio State Life at Springfield, Ill., with offices at 712 Myers building. Upon leaving the University of Illinois in 1923, he went with the old Abraham Lincoln Life. Later he was with Provident Mutual and Union Central. He has a fine production record. Mrs. Carter before her marriage was in the home office of Franklin Life.

T. J. McAndrew, superintendent of the Taunton district of Boston Mutual Life, has been promoted to superintendent of the Fall River district to succeed T. A. Cahill, who died a few weeks ago. Mr. McAndrew has been with Boston Mutual nearly 26 years.

MANAGERS

Spokane Managers Club Elects Thompson President

The General Agents & Managers Life Insurance Club of Spokane at its annual meeting elected T. A. L. Thompson, Oregon Mutual Life, as president; Grant McGlade, California-Western States, vice-president; Ed M. Wolfe, Prudential ordinary department, secretary-treasurer; F. L. South, Sun Life of Canada, and Joy Williams, Lincoln National, directors. The club has had a successful season, membership being on a good basis and 95 percent of managers and general agents having paid their dues and been in good standing in the year. Mr. McGlade has been secretary-treasurer for the last year.

Elect in Wichita Jan. 12

The Wichita Managers & General Agents Association will elect Jan. 12. O. Lynn Smith, Connecticut Mutual, is chairman of the nominating committee. Retiring officers are John J. McLean, Union Central, president, and W. E. Moore, Pacific Mutual, secretary.

Bobst Heads Boston Managers

The Boston General Agents & Life Managers Association has elected Frank T. Bobst, John Hancock, president. Other officers elected were: Vice-president, Fitzhugh Taylor, Equitable So-

society; treasurer, Merle G. Summers, New England Mutual Life; secretary, Leonard T. Smith, Prudential; new directors, Joshua B. Clark, State Mutual; Ralph Harney, Columbian National; Ralph Sanborn, Connecticut Mutual; Lester von Thurn, John C. Paige & Co.; James M. Woodhouse, Union Central.

Talk on Nervous Breakdowns

At the December meeting of the Utah Life Managers in Salt Lake City Dr. C. E. Barrett, nerve specialist, outlined causes leading up to so-called nervous breakdowns, and the filing of claims by those thus afflicted for permanent and total disability indemnity. The picture he drew of people who would be affected by war news was not a very encouraging one.

Honor Toledo Leading Producers

TOLEDO, O.—The Toledo Life Managers Association held its first annual banquet honoring the two leading salesmen in each of the city's life agencies. F. P. O'Connor, assistant superintendent of insurance, and Capt. John D. Craig, hunter and explorer, were principal speakers. Leaders from 28 agencies were honored.

W. N. Watson to Talk in Newark

Wallace N. Watson, Boston general agent of Connecticut Mutual Life, will speak at the dinner-meeting of the newly organized Newark Trust Council Jan. 21 on "Better Understanding Between Life Underwriters and Trust Officers." Mr. Watson is a charter member of the Boston Trust Council, the first of its kind in the country and he plans to outline the necessity of such an organization in Newark.

Officers will be elected and constitution and by-laws adopted. John E. Clayton, general agent Massachusetts Mutual Life, and Fred Fern, general agent National Life of Vermont, are the prime movers in the new organization.

Travelers Cashiers' Changes

CINCINNATI.—W. E. Madison, assistant cashier of Travelers in Cincinnati for the past six years, is moving to the Houston branch. Drew Armstrong, from the St. Louis office, will be the new assistant cashier at Cincinnati.

Karl Ljung's New Title

Karl Ljung, who has been superintendent of agencies of Jefferson Standard Life, has been promoted to assistant agency manager.

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GENERAL AGENCY NEWS

Commons Wins Gold Cup at Royer Agency Meeting

The James M. Royer agency of Penn Mutual in Chicago held its annual meeting at Edgewater Beach hotel. C. A. Johnson, agency supervisor, was chairman of the morning session and Mr. Royer chairman in the afternoon session. E. Paul Huttinger, vice-president, was on from the home office and gave an inspirational message on "A Forgotten Word—Duty."

Mr. Royer reported the three leaders in paid life volume were Robert Lotz, Glenn D. Commons and Al Greene. For the first 11 months the agency ranked higher on the company production honor roll than in any other previous 11 months since Mr. Royer became general agent. December paid volume was large and forwarded business volume was greater than at any time under Mr. Royer's direction.

The general theme was to pay for one more case each month in 1942 against the same month in 1941. Six new members of the agency presented ideas which were working for them. Sixty agents and their wives attended the banquet at which Mr. Royer presented a gold cup to Mr. Commons, "underwriter of the year." The basis of the award was proficiency in 10 factors: Paid volume, paid cases, average premium per \$1,000, average numerical rating, declined cases, first year lapses, consecutive weekly production, agency meetings, leaders and five star clubs, new agents. The 10 highest ranking agents for each factor received from one to 10 points, depending on rank. The agents competed for the gold cup throughout the year.

Cincinnati Agencies Forge Ahead in December

CINCINNATI.—Agencies here had a rush of business in December, much improving the record for the year.

The Judd C. Benson agency of Union Central more than doubled its business in December and scored a 12 percent gain for the year by paying for over \$7,000,000 in 1941. Sis Hoffman, prominent member of the agency and only woman member of the Million Dollar Round Table, again wrote over a million in 1941. The agency's leader in premium income for 1941 was G. B. Hollister, and C. F. Slavosky led in number of lives.

The December business of the J. D. Grannis agency of Penn Mutual was four times that of last year, and amounted to well over one million in this boom month. The agency's written business for the year exceeded 1940 by 38 percent.

The W. J. Mack agency of Northwestern Mutual submitted over \$3,500,000 of written business in December which amount usually represents about seven month's business for the agency. Because of the rush of business at the home office, no detailed or exact figures are yet available.

Zimmerman Agency Takes Second Position in Sales

The Zimmerman agency of Connecticut Mutual in Chicago was second in paid business country-wide last year in that company for the second successive year. When Mr. Zimmerman took charge the agency was in 45th place.

An all-day sales congress was held, followed by a dinner at which V. B. Coffin, vice-president and superintendent of agencies, was the chief speaker.

Mr. Zimmerman presented awards to agency leaders. B. G. Blair again was top man. F. G. Reed won for consecutive weekly production; K. B. Hollowell, senior leader; J. J. Sommerfeld,

junior leader; W. S. Allen, Jr., sophomore leader; Alan Schwartz, freshman leader; Irene A. Kenefick, direct mail, and M. K. Solon, marked improvement over previous year.

J-App Contest for Harrold Agency

Members of Verlin J. Harrold's northern Indiana agency of Lincoln National Life are out after J-apps in January. The contest to overthrow "the treachery of thriftlessness, the bombings of careless investments, and the cruel sabotage of fate" is in full swing. Slogan is "Keep Them Buying." Rewards for the largest number of J-apps are being made in defense stamps.

Merrifield Agency Honors Leaders

The Merrifield agency of Connecticut Mutual Life in Portland, Ore., at its annual meeting awarded R. E. Shannahan, district manager at McMinnville, the "most valuable associate" plaque. He is the agency leader in paid business for the year. C. P. Williams, district manager at Eugene, and F. G. Jones of Portland also were honored for individual achievements. Mr. Merrifield spoke on "Review of '41 and Preview of '42."

W. E. Lockwood, associate general agent in charge of brokerage depart-

ment for the past two years, will devote full time to agency activity hereafter.

New Wyo. Office Restricted at First

Because of the problems in starting a branch office, it will be several months before the new Wyoming branch office of New York Life in Cheyenne with J. Paul Monson as agency director, will be collecting renewal premiums. It will handle temporarily only first year business and the facilities for collecting renewal premiums will be developed.

Decatur Agency Honors Veteran

In commemoration of his 30th anniversary with Bankers Life of Iowa, the C. C. Clouse agency, Decatur, Ill., is honoring W. F. Bald in January, dedicating production to the veteran agent. Mr. Bald was presented an attractive leather book, containing letters of congratulations from many home office executives.

Anniversary of Tri-State Agency

Adam E. Littig of Davenport, Ia., addressed the Tri-State Agency of National Life of Vermont, Memphis, Tenn., at a banquet on its second anniversary. Clyde R. Welman is general agent.

The annual meeting of the Kansas agency of Penn Mutual under the direction of General Agent Paul Jernigan was held in Wichita, Jan. 3.

NEWS OF LIFE ASSOCIATIONS

Honor Witherspoon in Atlanta, Jan. 22

ATLANTA—John A. Witherspoon, president National Association of Life Underwriters, who will be in Atlanta Jan. 22 for the Georgia sales congress, will be the central figure at a special breakfast session. Officers, directors and committeemen of the Atlanta Life Underwriters Association, Georgia Leaders Round Table and Atlanta Life Managers Club will participate.

Leaders Executive Session

Following the breakfast, and before the sales congress, the Leaders Round Table will hold its annual executive session for the election of officers, and President Witherspoon will hold a short conference on association matters with the Georgia association men.

Walter Rountree, Pacific Mutual, is

chairman of arrangements, will preside at the sales congress. W. Stanton Hale, manager Fidelity Mutual and president Atlanta Life Underwriters Association, will give an address of welcome, and T. M. Fowler, Columbus manager of Metropolitan Life and president of the Georgia association, will formally open the congress, which is sponsored by the state association.

Speakers for Congress

Speakers will be Dewey Mason, Aetna Life, Syracuse, N. Y., Mr. Witherspoon, Paul Dobson, Northwestern National, Minneapolis, and Paul Speicher, R. & R. Service. A luncheon will be given by the Retail Credit Company.

Also after the luncheon gold insignia pins will be presented to the members of the Georgia Leaders Round Table by N. Baxter Maddox, vice-president and trust officer of the First National Bank. The pins are the gift of the bank. Mr. Maddox formerly was general agent of Con-

nnecticut Mutual, and has been a leader in local, state and National association affairs.

Short Course to Be Held at Iowa State College

DES MOINES—Plans for holding a short course at Iowa State College along the line of the so-called Purdue short course are announced by Max Kissick of Mason City, president Iowa Association of Life Underwriters. Mr. Kissick said the executive committee had met here and in Ames to make arrangements with officials of the college and the first week in August, has been set as the tentative date. Approval of the short course idea was given by the state association at its annual meeting in Cedar Rapids.

The facilities of Iowa State College will be open to short course enrollees and dormitory arrangements will be included, so that they may stay on the campus.

Change Minn. Mid-Year Date

ST. PAUL—The date of the mid-year sales congress of the Minnesota Association of Life Underwriters has been changed from the last week in January to Feb. 23, it is announced by Hiram Moore, program co-chairman.

Speakers will include John A. Witherspoon, president National association; John D. Moynahan, Chicago, president American Society of Chartered Life Underwriters; Julian Farwell, agency sales instructor, Metropolitan Life, and Commissioner Johnson of Minnesota. Other speakers are to be announced.

Sessions will be at the Lowry hotel, St. Paul.

PERU, ILL.—Charles R. Corcoran, field assistant of Manhattan Life in charge of the Chicago branch office, addressed the La Salle county association on "Possible influence of war clauses, increased income taxes, and the sale of defense bonds on the sale of life insurance." He said just as government war risk insurance in the first world war caused private life insurance sales to boom so will there be a stimulus this time. The outlook is most encouraging. Mr. Corcoran feels the increase in sales which began in December with the outbreak of the war will continue for much of this year.

WICHITA—The regular meeting was postponed from Jan. 3 to Jan. 10 to avoid holiday conflicts and agency meetings at the start of the year. A. R. Jaqua, associate editor of Diamond Life Bulletins, will speak Jan. 31 and C. T. Davies, retired capitalist and author of the book, "Why I Bought Life Insurance," at the February meeting. Mr. Davies also will talk to the Tulsa and Oklahoma City

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associations. Mr. Jaqua is on the program of the Oklahoma sales congress the last week in January.

Boston—B. A. Schauer of Pittsburgh will speak Jan. 15 on "Unusual Opportunities in Unusual Times."

Springfield, Mass.—A. H. Dalzell, John Hancock Mutual Life, Boston, spoke on "Selling the Streamlined Buyer."

Pittsburgh—R. Maxwell Stephenson, National Life, president of the Pittsburgh Life Underwriters Association, is making appearances before three branches of the Pittsburgh association. He appeared at a dinner meeting of the Beaver Valley branch at Aliquippa, Thursday. He will make an appearance at a dinner meeting at Washington, Pa., next Wednesday and at Butler at a luncheon meeting Jan. 16.

Indianapolis, Ind.—Holgar J. Johnson, president Institute of Life Insurance, will speak at a joint meeting with the Indianapolis chamber of commerce Jan. 21.

Springfield, Ill.—A. E. McKeough, Chicago manager of Occidental Life and president of the Illinois association, spoke at a dinner meeting Jan. 8.

Jacksonville, Ill.—William Roberts, president, was honored for 25 years' service with Prudential. He was presented a billfold and his wife a bouquet.

Earland Logue, assistant superintendent of Prudential in Jacksonville, and other Prudential men spoke. R. L. Dumas handled arrangements. H. A. Williamson, president Illinois Association of Funeral Directors, made the main address, paying tribute to Mr. Roberts. A. A. Hoffman, district manager of Prudential, Springfield, was a guest. This was "ladies' night," the program following dinner.

Dallas—A quiz program with R. B. Shields, Great National Life, as master of ceremonies, will feature the meeting Jan. 16. A panel of experts, arranged by C. E. Seay, Southland Life, program chairman, will answer questions on life insurance selling problems. The panel will include J. L. Burke, Travelers; W. A. Waldman, State Mutual; Raymond Campbell, Jr., Connecticut Mutual; D. Frank Carden, Southwestern Life, and Miss Hazel Roberts, Pacific Mutual. Campbell Green, Southwestern Life, is in charge of arrangements and J. P. Costello, Southwestern Life, president, will preside.

A rally of all Dallas life insurance interests Jan. 13 has been called to step up cooperation in sale of defense bonds and stamps.

Amarillo—Under the leadership of G. W. Mills, chairman of the war bond committee, 48 have agreed to devote at least one day per month exclusively to this defense effort. It is expected that future monthly sales under the plans installed will average at least \$5,000.

Northern New Jersey—E. L. Reiley, C.L.U., New York City general agent of Penn Mutual Life, and C. P. Dawson, general agent there of New England Mutual Life, will be the lecturers Jan. 15 in the advanced salesmanship school. Mr. Reiley will speak on "Proving the Case for Life Insurance," and Mr. Dawson on "Persuading the Prospect to Act."

San Francisco—How to convince the prospect who objects "because of the war clause" was discussed at a luncheon meeting of the women's division. Discussion leaders were Katherine Pickett, Provident Mutual Life; Dora Olinsky, Equitable Society, and Maude Brillhart. Practical ideas on approaches were pre-

Benefit Department Head Scheduled in Chicago

Robert J. Lawthers, manager of the benefit department of New England Mutual Life, will address the luncheon meeting Jan. 15 of the Chicago Life Insurance & Trust Council on "Problems in Business Purchase Agreements."

Mr. Lawthers has been with New England Mutual 22 years. He assists agents and attorneys for clients in connection with problems of establishing trusts of various sorts, including purchase agreements and pension trusts.

He also is chief adviser in tax problems relating to insurance or insurance trust agreements. He is much in demand as a convention speaker and a favorite at educational meetings.

E. B. Thurman is program chairman and R. D. Cameron is president.



R. J. Lawthers

sented by Edith Lewis, New York Life; Genevieve F. MacIver, Equitable Society, and Trissie Miller, Aetna Life.

Mary Bradley, California-Western States Life, presented an original skit on what not to do, or "The Perfect Approach in Reverse English."

Cavanaugh Makes Review and Forecast

President L. D. Cavanaugh of Federal Life has issued a statement at the turn of the year in which he remarks that during 1941 the life insurance business reached its all time peak in volume of business in force and in assets. The business, he points out, faced problems of the first magnitude during the year. The pressure of low interest rates continued to be severe and a number of companies, he points out, decided to adopt a lower interest basis for the computation of premium rates and reserves which will mean a rather general increase in the cost of life insurance to future purchasers.

The trend insofar as war clauses is concerned seems to be to attach them to policies issued at all ages and to both men and women. The primary responsibility, he observed, on the part of the companies is to protect and conserve the interests of those who throughout the past years have entrusted their funds and savings to life company management. The war risk has a very high element of speculation and it is one that cannot be assumed without restriction by legal reserve life companies, he states.

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ACCIDENT and HEALTH, like LIFE Insurance should be PROGRAMMED.

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Insurance exclusively.

An agency company for progressive agents.

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POLICIES

(CONTINUED FROM PAGE 17)

shows a decrease due to reduced interest. Premium rates and dividends for the paid-up life at 85 are as follows:

Age	Prem.	Dividends at End of Yr. at				
		1	5	10	20	65
20	\$15.54	\$2.92	\$3.07	\$3.55	\$4.38	\$100.36
25	17.64	3.20	3.39	3.79	4.69	346.18
30	20.30	3.55	3.64	3.94	5.24	293.88
35	23.73	3.82	3.84	4.26	6.08	245.15
40	28.26	4.07	4.22	4.90	7.01	200.58
45	34.35	4.58	5.00	5.93	7.74	157.93
50	42.17	5.19	5.80	6.69	7.56	115.20
55	52.93	6.11	6.67	7.08	8.83	76.39
60	68.02	7.14	7.20	6.67	10.61	38.21

The 15 and 20 year term annual premium term rates per \$1,000 and single premium rates per \$1,000 life and endowment are shown below at quinquennial ages:

Age	Ann. Prem.	Single Premium				
		15 Y.	20 Y.	15 Y.	20 Y.	25 Y.
15	10.35	10.53	360.64	758.28	670.81	598.64
20	10.73	10.99	385.16	758.89	671.92	600.44
25	11.30	11.69	413.89	759.75	673.52	603.11
30	12.15	12.80	447.32	761.04	675.95	607.30
35	13.54	14.73	486.23	763.00	678.89	614.26
40	16.01	18.09	531.16	766.33	686.66	626.08
45	20.41	23.80	582.48	772.39	698.32	645.49
50	27.97	....	640.02	782.70	717.64	675.73
55	....	....	702.18	799.47	746.94	718.11
60	....	....	766.73	824.57	787.32	757.22
65	....	....	830.95	858.97	....	....

The sale of new life insurance apparently has not been adversely affected by the application of war clauses to the policies, he states.

During 1941 the companies have invested generally in United States government bonds even though the interest rate was lower than that assumed in the calculation of premium rates and values. The agents in home office organizations have volunteered to assist in the sale of defense bonds and the institution will perform an increasing service in financing war activities

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Or, you can boost your present income. The Wisconsin National has the policies that will secure increased income for you through new business as well as renewals. Your commissions will be most liberal, supplemented by prompt claim service.

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• HEALTH •

**WISCONSIN NATIONAL
LIFE INSURANCE COMPANY
OSHKOSH, WISCONSIN**

through the distribution of government securities.

Mr. Cavanaugh predicts that there will be an increase in new business in 1942, comparable to the increase of 1941, and that the rate of lapsation should remain low, although he admits that he cannot foresee the effect of increased taxes and increased cost of living.

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LEGAL RESERVE FRATERNALS

Aid Association Reports Growth in Fiscal Year

Aid Association for Lutherans had \$222,887,414 life insurance in force, a gain of about \$14,000,000, at the close of the fiscal year Sept. 30, President Alex. O. Benz reported. This wound up the society's 39th year. New business totaled \$20,569,872, of which \$15,002,296 was adult and \$5,567,576 juvenile.

Assets aggregated \$40,482,182, a gain of \$4,659,542 in the fiscal year, an all time record. Total interest earning was \$1,651,588, a gain of about \$190,000. Gross income on the home office building produced an interest earning of 7.09 percent of the investment and net interest earning was 5.3 percent as against 4.54 in 1940.

Mortality was 26 percent of expected, compared to 31 percent in 1940, or the lowest in the society's history. Lapse rate in the adult department was 2.51 percent, juvenile department 2.75 percent, or combined 2.54 percent. On new adult business written in the year lapse rate was 8.22 percent; juvenile 5.65 percent.

Total sickness and accident benefits paid in the year were \$60,262, a decrease. Cash disbursements for certificate loans decreased from \$815,252 in 1940 to \$769,940 in 1941. There was a substantial reduction in the amount of defaulted bonds and mortgages.

President Benz reported 129 of the 168 men in the agency staff completed

the fraternal training course and 81 gained the fraternal insurance counselor degree.

A.O.U.W. of North Dakota Adopts War Clause

A special war and aviation rider has been adopted by A.O.U.W. of North Dakota which is being attached to all new policies issued.

The rider, according to the announcement by W. E. Wright, grand recorder, is similar to those adopted by commercial life companies. It limits liability in case of excluded deaths to return of premiums paid (exclusive of any extra premiums paid), plus dividend additions and value of any dividends held on deposit, less any dividends returned and any indebtedness.

Deaths excluded are those in service of any country at war outside the U. S. and District of Columbia, whether war is declared or undeclared, or within six months after termination of such service if death results from wounds, injuries or disease contracted while in such service; those occurring while outside the U. S. and District of Columbia in any noncombatant unit auxiliary to military or naval service of any country at war, whether declared or undeclared, or within six months after termination of service, etc.; those occurring while traveling or residing outside the U. S. and D. of C., as a result of war, etc., or within six months after return to this country, and death di-

rectly or indirectly as a result of service, travel or flight in, contact with or descent from any aircraft except as a fare-paying passenger in a licensed commercial airliner, etc.

North American Union Revises War Clause

North America Union is applying a war clause excluding only deaths due to military and naval aviation and to service outside the limits of North America in military or naval forces of the United States or any country. President George E. Cobb explained the executive committee in a resolution decreed the society, except as qualified above, will recognize claims not due to an act of war even though death occurs while the insured is in military or naval forces of the United States.

compared to \$39,365,485 in the same period of 1940, or an increase of 6 percent. George Shelley, district manager New York, led among districts in November with \$233,750, of which \$5,250 was junior and \$5,000 sickness and accident business. Michigan, directed by J. B. Baker, Detroit, was leading state with \$467,124, including \$203,250 junior and \$500 sickness and accident. U. S. Jenkins, Florida, was leading personal producer with \$78,750.

Mrs. Daniels Utah President

SALT LAKE CITY—Mrs. Rachel B. Daniels, Magna, was elected president at the annual meeting of the Utah State Fraternal Congress. She succeeds R. C. Mansuy. Other officers elected are: W. V. Robinson and A. E. Konold, first and second vice-presidents, respectively; executive committee members, Mrs. Agnes M. Bess and Mrs. Tressia R. Whitehead, all of this city. A secretary-treasurer is to be chosen later.

Finds Fraternal Guaranty Sure

The mutuality in a fraternal life insurance contract today if issued on a legal reserve basis, now required by all states, assures the payment of the benefits promised, S. A. Oscar, secretary of National Mutual Benefit, Madison, Wis., comments in a letter.

"As a matter of fact, a fraternal life insurance company writing its business on this basis cannot fail if its affairs are properly and efficiently administered," he concludes.

Former Society Official Dies

Harrison M. Kelsey, 82, retired business executive and at one time secretary of the National Union, fraternal society, died at Toledo.

August F. Hagen, South Dakota, manager of Maccabees, has been awarded the Fraternal Insurance Counselor degree by the Fraternal Field Managers Association.



Five Modern Legal Reserve Contracts

- Ordinary Life
- Twenty Payment Life
- Endowment at Sixty-five
- Twenty Year Endowment
- Paid Up at Sixty-five

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FRATERNAL LEGAL RESERVE LIFE INSURANCE

BULWARK OF HOME AND NATIONAL DEFENSE



NATIONAL FRATERNAL LIFE INSURANCE WEEK
MAY 4-9, 1942

A red, white and blue poster featuring fraternal insurance's contribution to home defense will be widely distributed during National Fraternal Life Insurance Week, May 4-9. Under the aggressive leadership of C. D. De Barry, Catholic Order of Foresters, the special Fraternal Week committee of the National Fraternal Congress is planning an extensive campaign. The actual posters are 10 x 13 inches in size. Stickers carrying the poster design will also be available for use in correspondence.

THE WOMAN'S BENEFIT ASSOCIATION

Founded 1892

A Legal Reserve Fraternal Benefit Society
Bina West Miller Supreme President
Frances D. Partidore Supreme Secretary
Port Huron, Michigan

J. M. Gantz Gives Good Reasons for Optimism

CINCINNATI — The Joseph M. Gantz agency, leading unit of Pacific Mutual nationally, attained a 47 percent increase in paid for business during 1941 and a 63 percent increase in volume of new premiums paid. These gains were made without an increase in number of agents but instead by adopting an entirely new sales attitude and by getting rid of all agents that did not subscribe to the agency's new viewpoint, according to Mr. Gantz.

Got Rid of Poor Producers

Just about a year ago, Mr. Gantz, proceeding on the theory that the best time to be optimistic is when life insurance men are gloomy, disposed of all his poorer producers, recruited new men in their places, modernized

the offices and gave all his agents an intensive course in being optimistic.

Mr. Gantz is optimistic about 1942. He observes that war clauses in 1942 will affect not more than one-half as many persons as were out of work only two years ago. See the other 125 million, he says, they have a need, most of them have more money and most of them are more concerned about the future today than ever before and those three things are all that is necessary to make life insurance sales.

Mr. Gantz calls attention to the new automobiles and many other things that will not be sold in 1942 and maintains that people are more scared of not having life insurance even with war clauses than they formerly were of paying for life insurance without any war clause.

Five copies of "Problems of the Smaller Estate" by Attorney G. B. Rogers cost \$1. Order from National Underwriter.

N. W. Mutual Life Flooded with Business

(CONTINUED FROM PAGE 1)

from distant agencies were still pouring in, held up by the late holiday mails. He gave some examples of agencies' production which sounded more like figures for a year than for a single month.

Carroll Submitted \$3,000,000

"On the phone the other day Marue Carroll, general agent at Oshkosh, said they would submit in December over 600 applications for more than \$3,000,000—just how much more he didn't know," said Mr. Hill. "He made the significant statement that any agent who hadn't taken full advantage of that two weeks' opportunity was an agent in name only. Well, judging from the volume, virtually everyone did take advantage of it with the result that hundreds of you rounded out a grand year. Believe it or not, I know of several agents who submitted more business in that two weeks than in the previous 11 months." E. H. Earley, Brooklyn, outstanding personal producer, submitted 71 cases for \$778,000 in December.

Mr. Hill said the company has been much pleased with the field force's reaction to placing the war clause on all ages and both sexes. He pointed out that a number of other companies are adopting the same type of war clause but said that the Northwestern felt that it was of prime importance that policyholders' interests should be protected irrespective of the actions of other companies.

\$4,021,500,000 in Force

The Northwestern's insurance in force figure is now considerably above the four billion mark, Mr. Hill said. As of Nov. 30 it was \$4,021,500,000. He suggested that any who had not done so read the article "We and the War" in the December "Field Notes," the company's agency publication, as it would help answer questions which are bound to be asked by policyholders.

Mr. Hill pointed out that in Canada, despite their two years of war, heavy taxation, defense bond sales, general business dislocation due to the war effort, life insurance will show a decided gain in life insurance sales with, of course, war riders on all policies. In addition, persistency of business on the books has improved. Mr. Hill said he talked with a number of Canadian company executives at a meeting in Toronto recently and their experience in the last two years was most encouraging.

Looks to Future

In connection with persistency of business Mr. Hill quoted a letter from Manager J. M. Holcombe, Jr., of the Life Insurance Sales Research Bureau reporting that the Northwestern's termination rate of 3.92 percent for the first nine months of the year was the lowest

reported to the bureau for a comparable period, and apparently the lowest termination figure that any company has ever reported to the bureau.

Remarkable that firms all over the country are setting up salary deduction machinery to enable their employees to buy defense bonds on the easy payment plan, Mr. Hill said that when the happy day comes that such sales are no longer needed smart agents are going to try to substitute life insurance premiums for payments on defense bonds and will succeed in many cases. It will be a natural opener in organizations not having salary savings life insurance plans, he said, adding that "fellows who know from experience tell me that there's nothing quite like a salary savings case to build an agent in solid with a good crowd of Northwestern type buyers." The company has averaged one new salary savings case a week for the last 19 months, Mr. Hill said.

While it is too early to tell what the results for the entire year will be in production, Mr. Hill said that for the first 11 months the Detroit agency, headed by Charles Eckert, stood in the lead. He also cited the work of the leading producer in the agency, Lester Hatcher, who paid for \$584,016 on 63 lives in the first 11 months alone.

Advises Having Wills Drawn

Asking his audience whether they had properly drawn wills, Mr. Hill said that one of the most important things they could do on their return home was start the year right by having a will properly drawn, while married men should have wills drawn for their wives. Wasted time, expense and embarrassment to those left behind can be obviated by heeding the advice so often given clients, said Mr. Hill.

Touching on potential prospects, Mr. Hill remarked that students were the leading occupational group in Northwestern's November sales, both in lives and volume, with an average size case of \$2,500. Housewives as a class represented more than 4 percent of lives and volume with an average size case of \$3,800.

Northwestern will continue its strong national advertising program this year, said Mr. Hill, giving some of the details of schedule. A feature of particular interest to agents dealing with men of wealth is that Northwestern will run six full-page advertisements in "Fortune" magazine, all of them dealing with estate settlement subjects.

Selling Men of Wealth

Addition of war clauses should have little or no effect in sales to the man of means because these men are usually old enough so that exclusion of the war hazard is of no moment, said R. U. Redpath, Jr., New York City. He said that a number of such prospects, even though they knew the war clause deadline was

imminent, preferred to wait so as to have the necessary time to give careful consideration to what they were doing. As a result he is as solidly booked up with appointments for the next two weeks as he was during the December rush.

Pension Trust Sales

L. C. Jones, assistant director of agencies, and W. F. McMartin, New York City, made a joint presentation dealing with employee pension plans. Explaining why it is impossible to get up a pre-designed plan that will fit all cases and be complete except for installation, Mr. McMartin said that each plan must be custom made to suit the circumstances and the desires of the employer and the needs of his business.

Some of the questions that must be answered for each plan are the following: What retirement benefits are to be provided, to begin at what retirement age? What proceeds, if any, are to be payable on death before retirement? Are social security benefits to be considered as part of retirement benefits? Who shall be the trustee or trustees? Corporate or personal? Shall there be an advisory committee or pension board in addition to the trustees? Does the plan meet the requirements imposed by federal statute? Is the plan to be contributory or non-contributory? On what basis? The employee's contribution is from taxed income, the employer's from untaxed dollars. What bearing does this fact have on the basis of contributions?

No Two Alike

Mr. McMartin said that these questions and many more all require individual answers. They cannot be generalized. No two cases are alike. It is important to note, he said, that these trusts are not sold. They are designed and selling is an integral part of the process of design. In the design of a pension trust it is important that the plan be a genuine retirement trust, not a device for the untaxed transfer of profits to stockholders, partners, or owners.

Pension trusts must be for some or all employees. He particularly urged cooperation with the client's lawyer to be sure that there is no conflict between the provisions of the trust agreement and the company's practice. For example, the trust agreement may provide for retirement at age 65 but the retirement policy provides for maturity at the policy anniversary nearest age 65. There must be flexibility enough to permit the trustee to correlate such differences.

Home Office Reception

Mr. Jones discussed the home office's attitude toward pension trusts, saying that the Northwestern does not share the feeling of some companies that pension trust sales should be curtailed. On the other hand, the company is not going out of its way to promote them, realizing that it is a type of sale requiring plenty of time, knowledge and sometimes the spending of some money before it is consummated.

Others who spoke at the meeting were H. D. Goldman, Roanoke, Va.; Harry Krueger, New York City; and H. M. Files, general agent, Syracuse. C. L. McMillen, general agent New York City, addressed the final session but dealt entirely with intra-company matters.

P. T. Allen, general agent, Buffalo, and R. R. Brown, Winston-Salem, were co-chairmen of the first session. D. B. Fluegelman, New York City, presided at the afternoon session, and W. A. Steadman, Newark, was chairman the second morning. Mr. Allen was toastmaster at the luncheon which concluded the convention. George W. Campbell led the singing, with Jack Flynn of the McMillen agency, New York City, as accompanist. Mrs. Flynn played a number of selections on the pipe organ.

Leaders Are Given

Following are the leading producers of the territory, in volume and in lives,

Institute Classifies War Clause Types

NEW YORK—The Institute of Life Insurance has released a survey of war clause actions of 36 leading companies which gives an over-all picture of what has been done to date, though company names are not given. The survey points out that there are three basic limitations in the various clauses, which are used in varying combinations: war deaths; service in the armed forces; and death outside the United States.

Three companies exclude claims under the clause only when all three of these circumstances are present. Thus, civilians are covered regardless of the place of death, ordinary deaths are covered regardless of the status or place of death, and all deaths within the United States are covered regardless of status or cause of death.

Most companies, however, apply a combination of three circumstances. Clauses of the other 33 companies covered in the survey limit the coverage in accordance with the following conditions:

Four companies—to a member of the armed forces if death results from an act of war, within or outside the United States.

One company—to either a civilian or a member of the armed forces if death results from an act of war happening outside the United States.

Three companies—to a member of the armed forces if death occurs outside the United States, whether as a result of an act of war or from other causes.

Two companies—to either a civilian or member of the armed forces if death results from an act of war outside the United States; and to a member of the armed forces if death occurs as a result of an act of war within the United States.

Two companies—to a member of the armed forces if death results from an act of war either within or without the United States, or from other causes while outside the United States.

Ten companies—to either a civilian or a member of the armed forces if death results from an act of war outside the United States; and to a member of the armed forces if death results from other causes, while outside the United States.

Eleven companies—to a member of the armed forces if death results from an act of war, whether within or outside the United States, or if death results from other causes if outside the United States; and to civilians in the event of death as a result of war if outside the United States.

The survey notes that the only clause which can be issued on New York policies is one excluding war deaths among the armed forces.

together with their respective agency affiliations: Volume: T. K. Carpenter, New York City (McMillen), \$839,559; Herman Duval, New York City (McMillen), \$680,809; W. F. McMartin, New York City (McMillen), \$638,807; D. B. Fluegelman, New York City (Recht), \$632,023; H. L. Peebles, Wheeling, \$588,255; John Binns, Newark, \$541,677; Albert Phillipson, New York City (Recht), \$447,719; W. B. Arnold, Harrisburg, \$446,690; A. N. Smith, II, Durham, N. C., \$425,632; F. N. Tornow, Buffalo, \$425,052.

Lives, M. H. Phelps, Syracuse, 133; L. R. Schultz, Philadelphia, 121; Israel Franklin, Providence, 95; R. R. Brown, Durham, 91; J. A. Smith, Pittsburgh, 88½; M. H. Abernathy, Durham, 87½; D. H. Tompkins, Wheeling, W. Va., 87½; C. S. McFarland, Lancaster, Pa., 81; T. K. Carpenter, New York City (McMillen), 78½; G. M. Venable, Atlanta, 70; H. L. Hurrelbrinck, Jr., Baltimore, 70.

Sales Ideas and Suggestions

Phelps Relates Experiences of An Agent for One Day

Nelson D. Phelps, general agent of the Northwestern Mutual Life in Boston, in his talk before the eastern convention of his company gave a day's experience of one of his agents to show what confronts a man out on the firing line and how much courage he must have to overcome obstacles. Mr. Phelps said:

"One day not long ago this ambitious, energetic and altogether intelligent agent got himself up in the morning determined to put in an ideal day's work. This high-minded determination was the result of a week-end conference with his wife. Things hadn't been going too well. Some good months in the year but more blank ones. On a chart it looked like a seismograph record of an earthquake. In any event this sort of thing couldn't go on. His whole plan of work needed an overhauling—and that is what they had done. This was the first day on the revamped schedule.

Didn't Want to Be High Pressured

"Starting direct from home his number one call was at 9:15 by appointment. He was going to close this glassy-eyed so-and-so or know the reason why. The fellow had wanted to think it over for a few days. The plan looked good but there wasn't any rush and he didn't like to be high-pressured into anything. He walked in this morning with his best smile. This bird just couldn't say no. The program plan he had laid before him showed this additional coverage to be imperative. And Lord knows he could pay for it without too much of a stretch. But it was no go.

"He could feel that 'N-O' coming right from the start. It had happened often enough before so he knew all the signs. No use talking about it any further. He'd gone over his affairs and this new income tax was just the last straw. Sure, maybe his family would suffer and maybe he couldn't have all he wanted to retire on—he couldn't help that. He'd just have to wait until this war situation was over. Why did Mr. Agent realize that this new income tax practically doubled last year's tax? Where was he going to get money for that—much less buy any new life insurance?

Called on Referred Prospect

"His next call was on a referred prospect reputed to be making a whale of a lot of money on defense contracts. By luck, he was able to see him—not for long—but he did see him. He was glad to talk to a friend of good old Whosis and was sure that he had an interesting story but no need to waste their time. He'd been all through it before. If it was life insurance, the answer was no. Had all he could possibly swing. Would like to increase it but these are artificial times. Sure he could get by with an increased load this year and maybe next if the government didn't syphon it all off, but we are headed straight for the worst depression this country ever saw and he wasn't going to make any commitments or buy anything that couldn't be paid for today in cash. As a matter of fact, it looked to him as though the country was all caught up. The swan song of capitalism. Better get smart and get a nice cozy job with the government.

Looked More Promising

"Our friend's next call looked more promising—a young doctor recently appointed to the staff of medical clinic—good promotion—must mean increased income. Unfortunately the doctor was busy. He'd try later in the day.

"His next call was on a local branch manager of a business machines agency. This fellow had told him six months ago that he'd be ready to go ahead about this time. But he hadn't known then about priorities. Couldn't possibly do anything now. Didn't know how long he'd be in business the way things were going. Couldn't promise his best customers deliveries under six months. And so forth.

"His watch showed him that he had 10 minutes to get across town to keep a luncheon date with a center of influence. A traffic jam made him 15 minutes late for his appointment but it didn't matter. The secretary of his C. of I. explained that her boss had been unexpectedly called to Washington, would try to phone him sometime next week. Well, things were running true to form. Two names held in reserve for substitute lunch dates were both out so he had a sandwich at a counter restaurant.

High Spot of the Day

"His next call was to be the high-spot of the day—a wealthy man in a responsible job. Referred by a policyholder—but 'don't use my name.' He'd sent two pre-call letters to warm him up. The great man was busy—but he could wait. It's a good thing he could because he didn't see him for nearly an hour. And the big man looked harassed and worried. The interview barely started when a long-distance call broke it up for ten minutes. During the next half hour, punctuated by more phone calls, a secretary with important papers to sign and two other interruptions, our friend learned about the administration in Washington, what was happening to business, what in particular was going to happen to the currency. Here we were adding billions of dollars of war debt to a country already under the worst load in history. Who was going to pay for all this? There was only one answer and that was an inflation like no one in these free United States had ever known—and 'your product, young man, won't be worth the postage to collect.' He was told these things with so much emphasis and desk-pounding that he thought for a while that he was to blame for the whole awful mess. He was sweating when he came out and wondered whether his policyholder friend had referred him to this bird as some kind of a joke.

Had the Doctor to See

"He still had that doctor to see. He'd show that baby that he couldn't be pushed around! He'd taken about all he could stand in one day. He'd tell this turkey where to get off. But he didn't have to. The doctor was swell—very cordial. He wanted his life insurance situation set up for him because he was being called into the army medical corps and it would probably be a long time before he could afford any more. Better get what he had in proper shape. Certainly would appreciate it. The service the life insurance companies were giving these days was a wonderful thing. He didn't see how they could afford to do it. Well, it was getting late. Better clean up some things at the office and make dates for tomorrow.

Went to His Office

"He parked his car 10 blocks from the office and walked in. The cashier looked at him over the counter inquiringly but immediately lost interest when he showed no signs of having an application. As an afterthought she called to him to say that Dr. Schmaltz had 'phoned to say that that man had failed

to keep his appointment for those blood pressure readings and Schmaltz seemed pretty much put out about it.

"He found three pieces of mail in his box. One, a notice from the bank that Mr. Jones had neglected to pay his note now three days overdue. Two, a blue letter from a doctor in the home office whose name he could not decipher which stated: 'We have information from a reliable source that Mr. _____ suffered an attack of indigestion in 1939 and was treated at that time by Dr. Quinn. Please furnish us with a statement from the doctor giving diagnosis, prognosis, etc., etc.' The third letter was from the brokerage manager of a competing agency announcing their new 'Zephyr' policy—half premium, double protection and triple commission to 65. They wanted his surplus business and a chance to demonstrate their service. Just supply one prospect and they would do the rest. Our friend reflected that it sounded like a good idea.

General Agent Exuberant

"Just then his general agent came up and slapped him heartily on the back—asked him how things were going. Before he had a chance to reply, the G. A. insisted on telling him of the great business Joe Dokes was doing in spite of the fact he'd only been at it for six short weeks. He'd have to step on it if he didn't want Joe to pass him up. By the greatest self-control he refrained from giving the G. A. a sock in the puss which he damn well deserved.

"And so ended his ideal day. A good try, you'll say. Maybe this agent could

have done or said things he didn't do or say. Maybe some of you have never had a day just like that, but you have some that were first cousins to it. We all have, although fortunately they don't happen often."

Mr. Phelps' Comment

Mr. Phelps in commenting on this agent's experiences of the day said:

"The thing that saved this agent's business life was that he had the resiliency and courage and guts to start again on Tuesday—because he knew and we know that many of these things can be overcome, others can be avoided and some few we just have to stand up and take."

"To those who have been in this business over the past ten years, this has a very familiar ring. At no time during that period have we not had more than our share of trouble. As a matter of fact, I have about come to the conclusion that life in this business (and maybe in all businesses) consists of a series of rises—the continual overcoming of a long series of what appear to be insurmountable obstacles. Sooner or later we become tempered by experience to this circumstance. We learn that current problems always look bigger, more dangerous and infinitely more important than those of the past so we automatically discount them at the start. We reflect that we have never yet met a situation which has thrown us for a permanent loss—or are we likely to. After ten years of terrific beating we are alive and kicking and fairly confident of our ability to take on anything the future may bring."

Specialization in Certain Business Fields Will Pay

With the entire nation dislocated by war, the 1942 life insurance market calls for specialized prospecting. Henry M. Files, general agent at Syracuse, N. Y., of Northwestern Mutual, said at the company convention in New York City. Various forms of business insurance should be given special attention, he said.

Mr. Files and his agency already have successfully tested several business insurance approaches during the past several months. There are a number of problems about which business men are thinking a great deal as a result of the war situation.

The most acute question which faces the business man concerns the large investment in a business which, in most cases, is not liquid. In what position does the war place his estate with respect to taxes and large inventories and volume that may be largely devoted to war materials rather than normal civilian products?

A second question is the increasing shortage of experienced men and the uncertainty of satisfactory replacement if death should occur under these conditions.

The Files agency has been successful in reaching this business insurance market by four general approaches.

Cover on Technical Men

Because of the shortage of technically trained men, such as engineers and chemists, if a company with big orders for defense materials should lose by death one or more of these men who are responsible in a large measure for maximum production, it might find it difficult to replace them, and it probably would have to offer abnormal financial inducement to get them.

Mr. Files' approach to a concern of this type is to ask if it wouldn't be

good business to have the company insure these men for an amount ranging from three to five times their annual salary. These amounts are in line with the problem of replacement about which the business man is so conscious. The premiums paid would serve a dual purpose: First, they give the company cash to reinvest in a man to replace the de-



HENRY M. FILES

ceased, even though larger salaries were required to do so; and, second, if nothing happens, the cash values in the policy offer a 48-hour liquid type of surplus separate and apart from all other funds.

Response to these suggestions has

been phenomenal, Mr. Files said. The agency has been favored with a substantial volume of business from several companies that have insured these technically trained men in groups ranging anywhere from two or three up to 15 or more. Today these are the "key men."

Insuring Executives

Mr. Files said he had found less interest on the part of top men to consider insuring their lives in favor of their company, although there have been some inquiries in this direction. Because of increase in taxes, there has been a feeling on the part of some executives that having life insurance on their lives payable to the corporation would possibly increase the value of their stock and thus subject their estate to heavier estate taxes. Mr. Files believes this is an incorrect assumption. The valuation of stock in a closed corporation for estate tax purposes is computed as of the date of death. The life insurance reaches the corporation after the death of the principal and is an indemnification to the company for the loss of the key man and is not reflected in the stock valuation unless later distributed in dividends, which would of course be taxable income to those by whom it is received. Legal counsel is not altogether in agreement on this particular question, and some case probably will have to be handed down by a higher court before there is a precedent to follow. However, with industrial expansion there should be an increased market in 1942 along this line.

Small Businesses

A second field which has proved a source of considerable new business for the Files agency in the past year and that seems to have excellent future possibilities is that of the small business. In every community there are a large number of small businesses frequently owned by one man who has associated with him, not as a partner, a younger person whom he has trained to assume some of the responsibilities and who in all probability would carry on the business in the event of the death of the owner. This younger man may be a son of the owner, or he may simply be a fellow whom the senior member likes and feels able to give responsibility. The business may be a sole proprietorship, or a small corporation, the stock of which is owned practically by one man.

The proprietor or large stockholder is extremely interested in what is going to happen to the business at his death. If the business has prospered and has future potentialities, it seems too bad to think in terms of liquidating it when perhaps it could be operated profitably for the benefit of the senior member's family. The older man ordinarily has spent his business life building the business and it probably represents the major part of his estate. He has only a relatively few years more of active business life and with the loss of this younger man he probably would be forced to provide in his will that the business be closed out. On the other hand, if the younger man lives, his experience and training would permit the business to be carried on for the benefit of the older man's family.

Provision for Premiums

The agency's suggestion to the owner is that he either provide by gift or through increased compensation a sufficient amount to pay premiums on a policy on the young man's life equal to the probable depreciation between what his business is worth as a going concern with him at the head and what it might bring at a forced sale by his executor. The application is made on the personal form naming the father or owner as the beneficiary, without the right to change it. In some instances the wife of the owner, or other members of his family, is named as contingent beneficiary. The insurance in the

event the young man died, is to be payable to the owner of the concern as a hedge against possible future liquidation at a depreciated figure.

In most cases the young man will survive the beneficiary, at which time control of the policy will revert to him and he in turn can name members of his own family as beneficiaries, who then will need similar protection now that he is the remaining responsible head of the business.

The Files agency closed a number of applications along this line and actually has only scratched the surface, Mr. Files said. There are literally hundreds of similar situations in every community, and it offers a specialized type of business insurance selling which is extremely simple in procedure and which can usually be completed in one or two interviews. One problem in selling business insurance is in getting a decision because the principal so often passes the buck and says that it will have to be approved by his board of directors, executive committee, and so on. In this particular field, the agent can in practically every instance get his decision from the one man who owns control.

Big Field in Partnerships

A third field is partnership insurance. Since many small businesses are operated on this basis, it offers a big opportunity to the agent. The trouble is, Mr. Files believes, to find a simple method of procedure which the average agent can use and which can be easily understood by men in business.

Assuming the agent has established a need for some form of partnership agreement, the first thing to consider is setting up a partnership plan of liquidation and to establish a valuation of the partners' interests. While there are a number of methods available, some of them are complicated and others are subject to considerable possibility of inequity. The simplest method, he said, is to establish a valuation on the arbitrary plan of annual value. After a preliminary interview in which the need for partnership agreement is established, the agent asks for a second interview. This is devoted entirely to the matter of valuation. The agent suggests that current inventory, accounts receivable, physical property, if any, less any business indebtedness, be totaled. He asks the partner if this represents a fair current valuation. If so, he then proceeds to suggest that before details of an agreement are prepared by their attorney, it would be well to make informal applications for insurance in the amount of their respective partnership interests, explaining that the only place insurance has in the transaction is as an automatic method of finance which eliminates the necessity of the surviving partner having to secure similar funds elsewhere. If either of the partners is uninsurable, it presents a rather complicated situation, and it is better to make the application and get the policies issued before the agreements are drawn.

Valuation Is the Key

If this valuation is not satisfactory, usually because of the item of good will, further discussion of valuation is necessary. This is the most important interview in a partnership sale and if a satisfactory valuation can be agreed upon, the rest of the sale and the agreements involved follow along with very little trouble or complication. Mr. Files has one partner apply for insurance on the life of the other, and vice versa, and keeps away from naming wives as beneficiaries because in most instances these transactions only involve moderate amounts and add confusion. While he feels it is desirable and likes to use a trustee, many partnerships do not want to pay the extra fees and prefer simple agreement binding their estates between themselves.

The fourth field is the retirement of stock interest in closed corporations. Mr. Files said his agency had experi-

enced some difficulty in writing this type of business. It is more difficult to establish a valuation of the stock, which of course is most important. Secondly, the laws of different states restrict corporations from buying their own stock to a greater or less extent. Because stock, unlike partnership interests or sole owner holdings, is a negotiable instrument and can be passed by will to other members of the family, there seems to be less interest from a liquidating standpoint among businesses of this type than among partnerships or sole proprietorships.

The major part of most men's estates is represented by the investment in their respective businesses. With high taxes and complications of war conditions "we have never had a better opportunity to be of service to business men or a more lucrative field from which to secure a generous portion of our 1942 production," he said.

Selling the White Collar Worker

Optional settlement can be used effectively in reaching the white collar worker, Harry Krueger, assistant to Rudolph Recht, general agent in New York City for Northwestern Mutual Life, stated at the company's regional meeting in New York. The white collar worker in many cases has had salary increases but these have not always been sufficient to absorb the increased demand upon income.

Mr. Krueger recently sold a man who did not wish to disturb his program. But he purchased a small policy settled under the interest option permitting the beneficiary to withdraw \$500 a year. This is to absorb the increased living expenses. Now that the man is a client, he is going to turn over to Mr. Krueger his policies for a complete review.

It is an effective idea merely to superimpose on policies which provide a monthly income additional insurance payable in the above manner, Mr. Krueger said. If the man is disturbed because of present conditions, the agent can make the sale without the necessity of a complete analysis beforehand.

Some Are Prospering

Some of the white collar people have increased incomes and some of the professional people are prospering. Checking forms that have been awarded defense contracts is helpful.

Many prospects in today's market are concerned about their future and their ability to pay higher taxes, and higher living costs. The agent must capitalize on these fears. An ideal strategy, Mr. Krueger believes, is the use of settlement options. This means programming in the light of today's conditions.

Mr. Krueger pointed out that his company has a contract which, if payable in one sum, pays \$25,000. If payable in monthly installments the amounts total \$34,000. This has a great deal of appeal nowadays because every one is worried about how to stretch the dollar bill.

The wide publicity given increasing rents has aroused considerable interest in mortgage insurance. Settlement options come in handy here. In a recent case the agent discovered that there was

a clause in the mortgage that insisted upon payment of the installments as they fell due to the end of the mortgage period. Mr. Krueger immediately suggested a life insurance contract which would provide for payment of the proceeds in monthly installments under an optional settlement of an amount corresponding to the amount of the monthly payments on the mortgage with additional sums withdrawable yearly for upkeep, and with the further privilege of taking any remainder in cash when the mortgage was liquidated. The man bought without further investigation.

Options Make Big Difference

It is often effective to ask the prospect if he realizes that the amount available as an annuity under different contracts varies by as much as 20 percent. In these times it is good strategy to make the man wonder if he has arranged his policies to realize their maximum benefit. If he realizes that from some contracts he can get as much as 20 percent more by utilizing certain options, it very often leads to interests in discussing ways and means of doing it.

For those in the middle group whose incomes have not been increased, the agent must either make an attempt to close on the idea that he must buy today, in the hope of a more prosperous tomorrow for him, or discard him altogether.

There are a great many skilled workers who can be sold today if the agent is willing to do the prospecting necessary to get to them and to adjust his time to theirs, he said. This means calls during the evening or noon hour, or over the weekend. A substantial number of these people can be sold. One of the ways of reaching them is to go to centers of influence in the management group and find out who are the shop foremen, superintendents, etc. With many of them the agent can employ a very simple program idea to awaken their consciousness to the value of life insurance.

Consider A. & H. War Clauses

The question of war clauses in accident and health policies was discussed at a meeting Wednesday of executives of Chicago companies writing that line. It was generally agreed that cover should be continued for men in service while in the United States, except for invasion and bombardment.

There was considerable sentiment to the effect that some degree of coverage against actual war risks should be provided for civilians in the United States, who are not so covered under most policies and a committee was named to investigate what can be done along that line.

Great Southern Pays 5% Bonus

The 229 home office employees of Great Southern Life receiving less than \$3,000 in salary were paid a bonus of 5 percent. The announcement was made by Executive Vice-president L. S. Adams at the annual holiday party. The fact had been closely concealed until then. Mr. Adams recommended the purchase of defense bonds and stamps with this extra compensation. He stated that Great Southern was the first life insurance company to give defense bonds as prizes. It gave a \$25 bond to each member qualifying for the Presidents Club.

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New advisory committees of managers and field representatives meet with Mutual Life of New York home office executives: Left to right (seated)—Jacob W. Shoul, Boston; C. J. McCole, Scranton, Pa.; W. W. Jones, Los Angeles; Louis Meister, president National Field Club, Hartford; William G. Godwin, Colorado Springs; H. B. Cadwell, assistant to vice-president and manager of agencies.

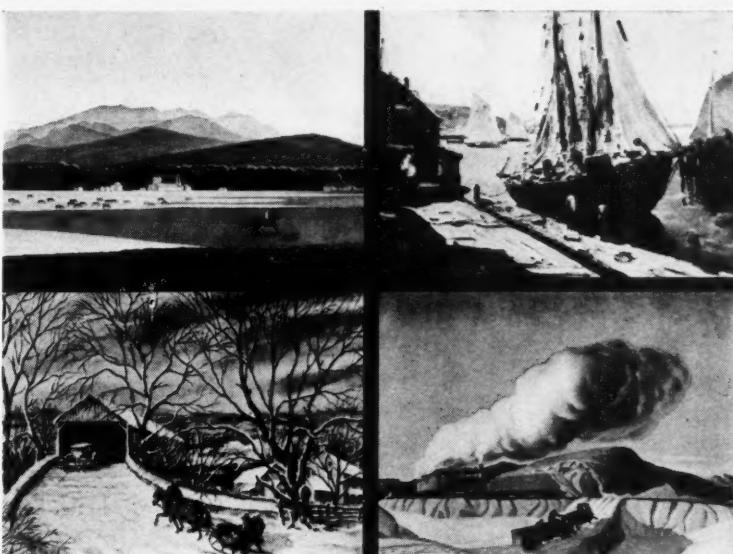
Standing—Alexander E. Patterson, vice-president; R. T. Stevens, trustee; C. C. Sherman, administrative assistant agencies department; C. J. Currie, Atlanta manager; C. E. Brown, Grand Rapids manager; J. F. Trotter, Kansas City manager; A. W. Buettner, agency inspector; J. Roger Hull, vice-president and manager of agencies; J. H. Blackman, Jr., Scranton manager; Lewis W. Douglas, president; A. F. Haas, assistant to vice-president and manager of agencies; Gifford T. Vermillion, Chicago manager; Roger Bourland, supervisor premium budget plan; Robert L. Young, agency secretary; Julian S. Myrick, second vice-president; Alfred C. Nelson, Oakland manager; W. F. Shaw, assistant manager of agencies; W. La Von Robison, Billings, Mont., manager.



Lawrence C. Woods, Jr., (center) in his new role as deputy Pennsylvania administrator of defense bond and stamp sales, sells William M. Duff, (left) president Edward A. Woods Company, Pittsburgh general agency Equitable Society, 1,000 thrift stamps for distribution in the agency. Postmaster S. A. Bodkin, of Pittsburgh, is delivering the stamps. Mr. Woods is temporarily relieved of his duties as assistant manager of the Woods agency to assist in bond sales.



Frank A. Palumbo, agency organizer Heifetz agency Mutual Life of New York in Chicago, at the "mike" at a meeting of 300 men released by the army sponsored by the Illinois Selective Service Men's Re-employment Committee, of which Mr. Palumbo is a member.



By popular demand from both its agents and the public, Connecticut Mutual's wall calendar for 1942 again features full-color reproductions of the works of famous American contemporary artists. Other artists represented are: Stanley Woodward, Dale Nichols, John Pike, Frederick J. Waugh, John Wenger, Yovan, Gilmer Petroff and Max Kuehne.

Four of the paintings appearing in the calendar are reproduced above: "High Tide at Morning" by Anthony Thieme, "This Is My Own" by Rockwell Kent, "Leaping Marlin" by W. G. Lawrence and "Covered Bridge" by Lionel Reiss.

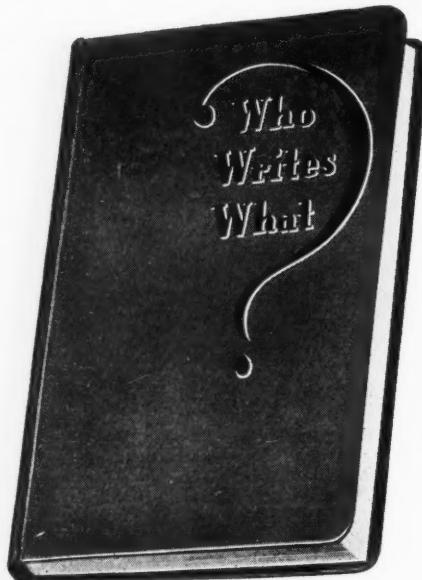


Canadians at Institute of Life Insurance annual meeting in New York: W. J. Beattie, assistant general manager Canada Life (left); R. Leighton Foster, general counsel Canadian Life Insurance Officers Association, and W. M. Anderson, assistant general manager North American Life of Toronto.



New officers and committee chairmen of Life Agency Managers of Chicago, organization formed to replace General Agents & Managers Division: (L. to R.)—R. R. Reno, Equitable Society, director; E. W. Hughes, Massachusetts Mutual, secretary-treasurer; C. B. Stumes, Penn Mutual, director, legislation; J. H. Brennan, Fidelity Mutual, president; J. D. Moynahan, Metropolitan, by-laws; E. M. Schwemm, Great-West Life, vice-president, program.

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Who uses graded death benefits on substandard?
What companies write group annuities?
What companies will write retirement annuities for pension trusts?
Who writes term for more than 10 years?
Where can I place that salary savings group?
Who writes \$10 a month disability income?
Who will take 10 years' premiums in advance?
What companies pay direct to a minor?
What life companies write group A. & H.?
Who will cover the aviation hazard by extra premium?
What companies allow a beneficiary to elect more than one settlement option?
Who writes deferred survivorship annuities?
What companies make substandard insurance available to other than their own agents?
What companies will accept overweights?
What companies permit application of settlement options to cash values?
Who writes 5 pay life?—5 year endowment?
Who writes a contractual "spend thrift" clause?
What companies write hospitalization on individual risks?—on group risks?
Where can I cover that aviation passenger flying practically every day?
What companies write mortgage protection with reducing coverage?
Who will write the combination single premium and annuity contract?

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